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UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA (WESTERN TDIVISION)

PAULA THOMAS,

Plaintiff,

vs.

THOMAS WYLDE, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, STEPHEN CHOI, ENILUZ GONZALEZ, JOHN HANNA, JENE PARK, DAVID SCHNIDER, ROGER KUO, DOUG LEE, HILLSHORE INVESTMENTS, S.A. A CORPORATION IN PANAMA, AND DOES 1 THROUGH 15,

Defendants.

Case No.:

COMPLAINT FOR:

1. Copyright Infringement;
2. Trademark; Infringement;
3. Intentional Misrepresentation;
4. Fraud by Concealment;
5. "RICO" Claims;
6. Unfair/Illegal Business Practices in violation of *17200 of the Business & Professions Code*
7. Injunctive Relief;
8. Punitive Damages.

DEMAND FOR TRIAL BY JURY

NOW COMES PLAINTIFF, Paula Thomas ("Plaintiff"), and files her Original Complaint in the United States District Court for the Central District of California, Western Division, Riverside, California and serve the Original Complaint on the Defendants: Thomas Wylde, LLC, Hillshore Investment, S.A., Stephen Choi, Eniluz Gonzalez, David Schnider, John Hanna, Jene Park, Roger Kuo, and Doug Lee (collectively "Defendants") and Does 1 through 15, collectively known as "Defendants."

Plaintiff's prior counsel filed a bankruptcy Petition for Plaintiff's company, "Paula Dorothy Thomas Wylde, LLC" ("PDTW"); Thomas Wylde, LLC is a Creditor with Plaintiff in those bankruptcy proceedings. Plaintiff's prior counsel also filed a complaint in State Court against Thomas Wylde, LLC, Jene Park and John Hanna for claims that are not included in this complaint. The state Court action has been pending for nearly two years and Plaintiff's counsel never took any action for injunctive relief.

Dated: June 4, 2017

/S/ Dimitrios P. Biller
Dimitrios P. Biller, Counsel for
Plaintiff Paula Thomas

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I.

INTRODUCTION

1. This case arises out of an international and nationwide "criminal enterprise" and conspiracy by and between all Defendants. The purpose of the scheme was to wrongfully destroy the business known as "Paula Dorothy Thomas Wylde, LLC" ("PDWT") and to steal Plaintiff's valuable and coveted designs and brand name ("Thomas Wylde") in violation of copyright and trademark laws of the United States. Defendants, Jene Park ("Park"), John Hanna ("Hanna"), Doug Lee ("Lee"), and Roger Kuo ("Kuo") created a new business entity called Thomas Wylde, LLC only after Thomas Wylde Holdings, LLC ("TW Holdings"), of which Plaintiff was the sole member and to which Plaintiff had assigned her intellectual property, had secured a loan from CBC Partners I, LLC. Plaintiff then bought 64 Units of Membership in Thomas Wylde, LLC, for $3,200.00 that amounted to 32% equity ownership in Thomas Wylde, LLC, when Park, Hanna, Kuo and Lee had acquired their Units at highly reduced rates.

2. Defendants then set in motion their scheme to eliminate Plaintiff from her company. Defendants arranged for the wire transmission of the aggregate amount of $9,200,000.00 from Panama/Spain to Los Angeles, California. The establishment of Thomas Wylde, LLC was necessary so the Defendants could launder "dirty money" through that business and re-distribute the "clean" money to

Defendants in a pattern of racketeering activities in violation of the *RICO Act.* Defendants never informed Plaintiff of this scheme; Defendants fraudulently induced Plaintiff to sign the Agreement to Purchase Membership Interest ("Purchase Agreement") and the Thomas Employment Agreement ("Employment Agreement") to further consummate the fraud. (**Exhibits "1" and "2"**) These documents served as the fraudulent instruments to illegally remove Plaintiff from Thomas Wylde, LLC. Defendants: Hillshore Investments, S.A., a Panamanian corporation ("Hillshore"), Stephen Choi ("Choi"), and Eniluz Gonzalez, a Venezuelan national ("Gonzalez") were responsible for and instrumental in wire transferring the aggregate sum of $9,200,000.00, and conspired to and entered into a "***criminal enterprise***" with Defendants: Thomas Wylde, LLC, Hanna, Park, David Schnider ("Schnider"), Kuo and Lee, a criminal enterprise designed to wrongfully deprive Plaintiff of her property, including her company, her patterns and molds, and her intellectual property rights, allowing Defendants to freely infringe Plaintiff's copyrights and trademarks through the sale of counterfeit garments, apparel and accessories, both internationally and throughout the United States, in violation of *17 U.S.C. §§ 106A, 201, 04, 205, 501, 502, 503 and 504*; *15 U.S.C. §§1114, 1116, 1072, 1121, 1125, 1127.* The Defendants further engaged and continue to engage in a pattern of racketeering through national and international commerce in violation of the Racketeering Influence Corruption Act under *18 U.S.C. §§1961, 1962, 1964* and numerous criminal acts in violation of specific federal criminal statutes contained in *18 U.S.C. §§1961*.

3. Plaintiff is the designer of garments, footwear, headwear, jewelry, apparel and related accessories that sold throughout the United States and internationally. Defendants have illegally removed Plaintiff in direct violation of the Employment Agreement between Thomas Wylde, LLC and Plaintiff. Plaintiff built her brand and apparel line, *Thomas Wylde*, into a chic, avant-garde brand of international acclaim that quickly and steadily gained popularity in its decade following its launch. Plaintiff personally designed the clothes, footwear, and accessories, as well as all copyrighted fabric prints, trademarked logos, names, and words associated with the *Thomas Wylde* brand. Defendants are illegally using the trademarked names and logos, and the copyrighted fabric prints to promote and sell inferior quality clothing that is diluting the name and reputation of Thomas. Defendants are replicating Plaintiff' original designs for sale in the open market. Defendants are using Plaintiff's patterns and molds, as well as her protected marks and copyrighted fabric prints to also produce new apparel (e.g., menswear, handbags, footwear, etc.) under the name of Thomas Wylde, LLC, intentionally misleading the public, because it is commonly known in the fashion industry that Plaintiff is the designer who founded the *Thomas Wylde* line of haute couture garments, footwear, bags, head ware, jewelry and accessories. Defendants are

falsely advertising that Park is the designer and creator of the *Thomas Wylde* brand, and that Thomas Wylde, LLC is the manufacturer and retailer of these counterfeit garments and accessories, further damaging Plaintiff's name and reputation. The counterfeit garments allegedly designed and manufactured by Defendants are sold throughout the United States and internationally, counterfeit garments that contain Plaintiff's copyrighted prints and trademark protected names, words, and logos, causing confusion in the marketplace and misleading the public to believe that these grossly inferior goods were designed and produced by Plaintiff. Defendants have generated substantial revenue and income from the sale of these inferior products only because Defendants infringed on Plaintiff's copyright and trademark rights, using Plaintiff's molds and patterns.

4. Defendants literally and figuratively have attempted to "destroy" Plaintiff, something Defendant Hanna had told numerous people he was going to do. Plaintiff is a breast cancer survivor and at all relevant times was sick, ill and/or under treatment when Defendants committed their frauds. Defendants' fraud, compounded by her ill health, put Plaintiff in a state of clinical depression. After the Purchase Agreement and Employment Agreement were signed in December 2014, Defendants intentional created a hostile and discriminatory work environment for Plaintiff, putting her in very stressful and depressing situations thereby creating a hostile and discriminatory work environment designed to

degrade Plaintiff in the eyes of her staff in an attempt to cause her to voluntarily resign from Thomas Wylde, LLC. Plaintiff's dedication and loyalty to her art and the brand she had established would not allow Plaintiff to abandon her legacy by resigning. Tired of waiting for Plaintiff to resign, and taking advantage of Plaintiff's ill health, Defendants terminated Plaintiff's employment by way of e-mail correspondence to Plaintiff's counsel. After Defendants wrongfully terminated Plaintiff, refusing to comply with the Employment Agreement that required Defendants to pay Plaintiff a severance package of $300,000.00 per year for three years and applicable bonuses, Plaintiff sought unemployment benefits. Defendants', however, bent on causing more harm and injury to Plaintiff, opposed Plaintiff's application, leading to an investigation of Defendants' allegations by the EED. Upon completing its investigation of Defendant's misrepresentations, however, the EDD determined Defendants' allegations to be meritless, and continued Plaintiff's benefits. Defendants appealed but dismissed the appeal the day before the hearing.

5. At the end of the day, this case is about a group of thieves who sought Plaintiff out, took advantage of her disabilities (cancer), disabilities which Defendants intentionally exacerbated by creating a hostile work environment to which only Plaintiff was subjected, and worked together in a conspiracy organizing a "***criminal enterprise***" to steal Plaintiff's business and property, the culmination

of a lifetime of work as well as personal and professional accomplishments. There are two bundles of fraud committed in this case: (a) the transactions involving the international sale of Thomas Wylde, LLC to Hillshore Investment, S.A., a Panamanian corporation, Stephen Choi and Eniluz Gonzalez, a Venezuelan national, through fraudulent instruments, i.e., the Purchase Agreement and Employment Agreement, an international transaction that resulted in a series of wire transfers totaling $9,200,000.00 from Panama/Spain to the United States (there were additional transactions subsequent to the $2,000,000.00 reflected in the Purchase Agreement), and (b) the sale of counterfeit garments and accessories internationally and throughout the United States containing the names, words, symbols and fabric prints to and of which Plaintiff owns the copyright and trademark. If any case required a finding of actual damages, disgorgement, treble damages, exemplary damages, punitive damages, and attorney fees/litigation costs, it is this case. Moreover, Plaintiff requests that the United States District Court issue a Temporary Injunction and Preliminary Injunction before trial, and Permanent Injunction after trial, to stop the irreparable harm Plaintiff has and continues to sustain.

6. Plaintiff further seeks Injunctive Relief under Copyright Law, Trademark Law, and the *RICO Act*; a Temporary Restraining Order and a Preliminary Injunction:

a. Defendants are prohibited from selling any of Plaintiffs' assets, including, without limitation, any clothing, footwear, bags, menswear, headwear, jewelry, accessories, and apparel that uses and misappropriates Plaintiff's trademarks and copyrights, as well as all patterns and molds related to the *Thomas Wylde* brand;

b. Defendants are prohibited from designing any clothes, footwear, bags, menswear, head ware, jewelry, accessories and apparel that misappropriates Plaintiff's trademarks and copyrights and/or misuses Plaintiff's patterns and molds;

c. Defendants are prohibited from developing, creating, manufacturing, promoting and advertising in print, via commercials, photographs, video and web-sites/internet any clothes, footwear, bags, menswear, head ware, jewelry, accessories and apparel that misappropriates Plaintiff's trademarks and copyrights and/or uses Plaintiff's patterns and molds;

d. Defendants are prohibited from designing, manufacturing, distributing, selling wholesale, retail, through fashion shows, whether in e-commerce or brick-and-mortar stores, any clothing, footwear, bags, menswear, headwear, jewelry, accessories and apparel that misappropriates Plaintiff's trademarks and copyrights and/or which uses Plaintiff's patterns and molds;

e. Defendants are ordered to search for, collect, gather, assemble, store and safeguard in one location that is convenient for Plaintiff to conduct an inspection of all assets, including all clothing, footwear, bags, menswear, headwear, jewelry, accessories, apparel, patterns, molds, portfolios, advertisements, publications, marketing material, graphics, video and any/all physical and electronic items ("ESI") that depict in any way the trademark and copyright protected items, whether registered or in common law.

f. The storage facility must have sufficient space, light, room, and ventilation to protect the assets and property and to allow for the efficient and effective inspection of all assets within the longer of 30 days or until Plaintiff, Plaintiff's counsel and agents/employees/experts/assistants have completed the inspection, which inspection shall continue day-to-day starting at 9:00 a.m. and ending at 6:00 p.m. every day until completed;

g. All clothes, bags, shoes, menswear, apparel, advertisements, publications, marketing material, and any/all physical and electronic items ("ESI") that depict in any way the trademark protected items must be properly organized for the inspection by categories of items;

h. Defendants shall produce for Plaintiff's inspection within 30 days all contracts that Defendants signed from July 2014 to the present time concerning: (a) all documents and ESI related to any and all moneys injected into Thomas Wylde, LLC, (b) all documents and ESI related to all expenditures of Thomas Wylde, LLC, (c) the manufacturing process of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, (d) the distribution of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common, (e) the sale (retail and wholesale) of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, (f) contracts between any and all the Defendants and any third party entity or individual pertaining to or affecting Thomas Wylde, LLC, PDTW, LLC, Plaintiff, and the *Thomas Wylde* brand, and (g) any electronically stored information ("ESI") in the computer systems and web-site for Thomas Wylde, LLC that includes Plaintiff's trademark and copyrights, both registered and in common law;

i. Thomas Wylde, LLC and all Defendants must make available for Plaintiff's and Plaintiff counsel's inspection within 30 days of all Profits and Losses Statements, balance sheets, QuickBooks data, tax returns for both state and federal for all Defendants, accounting, receivables, all documents regarding the sales of all apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, as well as all expenditures, inventory of all apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, patterns, molds, books and records, minutes of any meetings of officers, directors, managing agents, bank statements and wire transfers of money, owner withdraws, employee benefits and wages/earnings, all salaries, and distribution of anything of value to any persons having any ownership interests in Thomas Wylde, LLC. All financial documents produced in compliance with this demand shall cover the span from the organization of Thomas Wylde, LLC in June 22, 2014 through the present;

j. Defendants must comply within 30 days from the date the order is issued and provide declarations of individuals (not attorneys) with personal knowledge regarding all steps taken to comply with the Order;

k. Defendant must immediately (within 5 calendar days) return all assets, including, without limitation, all apparel and accessories, such as all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, as well as all patterns and molds that Defendants have in their custody, control and/or possession;

l. Defendants must stop doing business as "Thomas Wylde, LLC" and cannot open a new business that infringes on Plaintiff's copyrights and trademarks, either registered or in common law, or which uses Plaintiff's patterns and molds;

m. Defendants must deposit in an escrow account controlled by a neutral, third party any and all assets obtained by Thomas Wylde, LLC and in the possession of Jene Park, John Hanna and/or John Hanna's girlfriend (Tasha Hess), Stephen Choi, Eniluz Gonzalez, Doug Lee, Roger Kuo, and David Schnider, and their respective spouses, or any other individual associated with any of the Defendants;

n. Recovery of any and all Thomas Wylde, LLC's designs/apparel that has been gifted and/or loaned to any celebrities and/or PR, press/media, people;

o. Bringing back all Thomas Wylde, LLC inventory and assets, including production samples; patterns; molds; etc. from wherever they may be domestically and abroad, e.g. Korea; Paris; Milan; China; Russia; etc.; and

p. Take down all e-commerce; removing inventory from all brick-and-mortar stores, both domestically and abroad, that carry Thomas Wylde, LLC assets/inventory.

II.

JURISDICTION

(Plaintiff refers to and incorporates the allegations set forth in paragraphs 1 through 6)

7. This Honorable Court has subject matter jurisdiction because there are specific federal questions at issue under *17 U.S.C. §§ 106(A), 17 U.S.C. §§ 201(a), 201(d), 204(a), 205, 501, 502, 503, 504, 505 and 506*; *15 U.S.C. §§ 1127, 1051, 1072, 1121, 1114, 1125, 1125(c), 116(a), 1117(a) and 1125(c)*; and *18 U.S.C. §§ 1961, 1962, 1963*.

8. This Honorable Court has personal jurisdiction over all Defendants. Defendants are residents of the County of Los Angeles. Defendant Hillshore Investment, S.A. is located in Panama, but has injected itself into the commerce, market, and fashion industry in California and New York. It is reaping the benefits of the banking and financial industry as well as the fashion industry. It is causing harm to residents of the State of California and citizens of the United States. It is part of a conspiracy and criminal enterprise that involves persons and businesses in California in violation of the copyright laws, trademark laws and RICO Act. It

"invested" $2,000,000.00 into Thomas Wylde, LLC as of December 2014, but increased that "investment" to $9,200,000.00 as of August 2015. Without this infusion of money, Thomas Wylde, LLC would not be able to conduct legal and illegal business in California. It used and relied on the banking and financial institutions of California. It is now the "owner" of Thomas Wylde, LLC. It is identified as an "investor" in the Purchase Agreement of Thomas Wylde, LLC.

III.

VENUE

(Plaintiff refers to and incorporates the allegations set forth in paragraphs 1 through 8)

9. The United States District Court for the Central District of California, Western Division, Los Angeles, is the proper venue for this case because the Defendants, except for Hillshore Investment, S.A. reside in the County of Los Angeles, and Thomas Wylde, LLC has its principle place of business in the County of Los Angeles.

IV.

PARTIES

(Plaintiff refers to and incorporates the allegations set forth in paragraphs 1 through 9)

10. Plaintiff, Paula Thomas, is a resident of Riverside County;

11. Defendant Thomas Wylde, LLC has its principle place of business in Los Angeles County and is a Limited Liability Company of California;

12. Defendant Hillshore Investment, S.A. has it principle place of business in the country of Panama;

13. Defendant Stephen Choi is a resident of Manhattan Beach, California;

14. Defendant Eniluz Gonzalez is a resident of Manhattan Beach, California;

15. Defendant John Hanna is a resident of Los Angeles County;

16. Defendant Jene Park is a resident of Los Angeles County;

17. Defendant David Schnider has his principle place of business in Encino, California and is a resident of Los Angeles County;

18. Defendant Roger Kuo is a resident of Los Angeles County;

19. Defendant Doug Lee is a resident of Los Angeles County;

20. Plaintiff does not know the identities and residencies of **DOES 1 through 15**. Plaintiff will file an amended complaint once their identities and residencies are known to Plaintiffs.

V.

RATIFICATION, ADOPTION, APPROVAL, AUTHORIZATION

(Plaintiff refers to and incorporates the allegations set forth in paragraphs 1 through 20)

21. All of the Defendants ratified, adopted, approved and authorized the conduct, behavior, actions, inactions, tactics, statements, pronouncements, omissions to act when there was a legal duty to act and decisions related to the wrongful taking of Thomas Wylde, LLC in violation of *17 U.S.C. §§ 106(A), 17 U.S.C. §§ 201(a), 201(d), 204(a), 205, 501, 502, 503, 504, 506*; *15 U.S.C. §§ 1127, 1051, 1072, 1121, 1114, 1125, 1125(c), 116(a), 1117(a) and 1125(c)*; *18 U.S.C. §§ 1961, 1962, 1963*, fraud, fraud by concealment, wire fraud, and mail fraud; *Penal Code §§182, 484, 500, 501, 502, and 503*; and fraudulent, illegal and unfair business practices in violation of *Business and Professions Code §17200 and 17500*. Each of the Defendants served as the agents for all other Defendants. All the Defendants took some action, engaged in behavior, made statements, failed to act when there was a duty to act knowing their conduct would be ratified, authorized, adopted and approved by the other Defendants.

VI.

RESPONDEAT SUPERIOR/VICARIOUS RESPONSIBILITY

(Plaintiff refers to and incorporates the allegations set forth in paragraphs 1 through 21)

22. The individual Defendants (persons) served as the agents and employees for Thomas Wylde, LLC and Hillshore Investments, S.A. At all relevant times, the individual Defendants acted within the scope of their authority

and employment regarding the factual and legal allegations set forth in the complaint. Thomas Wylde, LLC and Hillshore Investments, S.A. are liable for their conduct. Defendants, Thomas Wylde, LLC and Hillshore Investments, S.A. explicitly and/or impliedly authorized, ratified, approved and adopted the wrongful acts of the individual Defendants through the Directors, Officers, Managing Agents, Managers, and agents of those corporate Defendants.

VII.

CONSPIRACY

(Plaintiff refers to and incorporates the allegations set forth in paragraphs 1 through 22)

23. All Defendants were and continue to be co-conspirators with the goal of taking over Thomas Wylde, LLC. That goal involved: (a) selling off the apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags that Plaintiff designed and/or which used Plaintiff's patterns, molds, as well as Plaintiff's copyrights and trademarks, both registered and in common law; (b) misusing the name of and brand *Thomas Wylde* by selling merchandise using the *Thomas Wylde* brand, patterns and molds, as well as Plaintiff's original designs that is substantially inferior to the apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both

registered and in common law, that were taken to market under Plaintiff's supervision and guidance; (c) infringing of Plaintiff's trademarks and copyrights, both registered and in common law; (d) engaging in mail and wire fraud; (e) falsely advertising Plaintiff's image, reputation, apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law based on and/or using Plaintiff's original designs, as well as other designs that Plaintiff would never have created; and (f) engaging in fraudulent, illegal, and unfair business practices.

24. Defendants agreed to commit these actions and make statements that amounted to the tortious conduct and violations of laws. The Defendants engaged in actions, conduct, behavior, including the making of statements, pronouncements, as well as omissions to act when there was a duty to act in a desire to fulfill the goals of the conspiracy and "***criminal enterprise***." Defendants intended to commit these actions, conduct, behavior, and to make these statements and pronouncements, as well as the omissions to act when there was a legal duty to act, to accomplish the illegal employment practices, violation of law, other torts, and the conspiracy and "***criminal enterprise***."

25. Each of the co-conspirator Defendants took some action, engaged in some conduct, made certain statements, and avoided taking appropriate action

when there was a legal duty to act in order to fulfill the goals and missions of the conspiracy and "***criminal enterprise***."

X.

ALTER EGO & PIERCING THE CORPORATE VEIL

(Plaintiff refers to and incorporates the allegations set forth in paragraphs 1 through 25)

26. Defendants Stephen Choi, Eniluz Gonzalez, and Hillshore Investments, S.A must be considered as a single person because there are not any separate interests. Defendant Hillshore Investments, S.A. is a corporation incorporated under the laws of Panama. The corporate form would do an injustice to Plaintiff. For example, the individual defendants and Hillshore Investment, S.A. commingled funds and other assets, and there was and is a failure to segregate money, assets, and funds. Hillshore Investment, S.A. transferred via wire transfers from Spanish bank millions of dirty dollars to Thomas Wylde, LLC that was then "cleaned" and transferred to Stephen Choi and Eniluz Gonzalez. The individual Defendants have treated the assets, money and funds of Hillshore Investment. S.A. as their own. There was and continues to be a confusion over the separation records. Hillshore Investment, S.A. and the individual Defendants use the same location and premises for business operations. Hillshore Investment, S.A.s primary business is a mystery due to the absence of proper records and

documentation. All that is currently known about Hillshore Investments, S.A. is that it has become the "supra-majority owner" of Thomas Wylde, LLC operating out of the same location, with Thomas Wylde, LLC being its sole investment. Hillshore Investment, S.A. is a mere shell, instrumentality or conduit for a single venture or the business of an individual and family member – illegal internet gambling and tax evasion. There is a total and complete disregard of legal formalities.

27. Defendants Stephen Choi, Eniluz Gonzalez, and Hillshore Investments, S.A have to be considered as a signal unit of operations. Defendant Hillshore Investment, S.A. allegedly has only one "employee", Eniluz Gonzalez as the sole owner of and General Manager for the enterprise. It does not engage in any legitimate business activities that can generate money; it is not a manufacture of goods, wholesale or retail seller of goods; it does not have any connection to the fashion design world; it is not an investment bank or business that invests money from third parties; it is not a registered corporation with a specific business to operate. As of the filing of this Complaint, the only illegitimate business purpose that Hillshore, S.A. has is the infusion of "dirty" money into Thomas Wylde, LLC to get "cleaned" and redistributed so as to not be detected.

28. When Defendants stopped using PDTW, LLC for their illicit purposes, and in order to further their goal to remove and "destroy" Plaintiff, they

opened Thomas Wylde, LLC to be the cleaner of dirty money. Defendants Hillshore Investment, S.A., Stephen Choi and Eniluz Gonzalez started to infuse millions of dollars into Thomas Wylde, LLC without a written agreement as to why that money was transferred to Thomas Wylde, LLC. Defendants opened new bank accounts, notified purchasers of garments that the name of the business has changed, altered all marketing and advertising materials to state "Thomas Wylde, LLC", created new business cards, opened new credit card accounts, and changed the name on all contracts. The Units of Membership were divided between the individual Defendants. Defendants established Thomas Wylde, LLC not for any legitimate business purposes, because there was no reason to establish this corporation, for anything other than the personal benefit of the individual Defendants to create a company that would eventually remove Plaintiff from any ownership. Defendants never obtained Plaintiff's authority to stop business operations through PDTW, LLC and commence business operations through Thomas Wylde, LLC. Plaintiff did not give any authority to issue Units of Membership by Thomas Wylde, LLC. Defendant Thomas Wylde, LLC used the same office and the same attorney that PDTW, LLC used. Defendants used Thomas Wylde, LLC as a conduit, instrumentality and shell for the moneys generated by Hillshore Investment, S.A., Choi, and Gonzalez. The individual Defendants failed to maintain an arm's length relationship with Hillshore

Investment, S.A. and Thomas Wylde, LLC; they treated the money/assets first in PDTW, LLC and then in Thomas Wylde, LLC as their own. The Defendants intentionally concealed and misrepresented the identity of the responsible ownership, management and financial interests of Thomas Wylde, LLC and Hillshore Investment, S.A. Based on these facts, and others, (1) there is such a unity of interest that the separate personalities of the corporations no longer exist; and (2) inequitable results will follow if the corporate separateness is respected. Essentially, "Thomas Wylde, LLC", Hillshore Investment, S.A., Stephen Choi, Eniluz Gonzalez, David Schnider, John Hanna, Jene Park, Doug Lee and Roger Kuo are a single entity. Justice can only be served to treat all Defendants as a single entity because there were no separate interests.

29. In July 2014, Jene Park was the Chief Operator Officer for PDTW, LLC, and she maintained that position at Thomas Wylde, LLC. In July 2014, David Schnider was the in-house counsel for PDTW, LLC and he maintained that position with Thomas Wylde, LLC. In July 2014, John Hanna was a consultant/advisor to Plaintiff and PDTW, LLC, but then became the Chief Executive Officer of Thomas Wylde, LLC. The other Defendants were investors in Thomas Wylde, LLC that was created in July 2014, soon to become owners of the business. Defendants intentionally kept Plaintiff in the dark about this situation.

IX.

BACKGROUND

(Plaintiff refers to and incorporates the allegations set forth in paragraphs 1 through 29)

A. Personal Background and Career

30. Plaintiff was born on February 20, 1966 and spent most of her life in the fashion industry, first as a model and then as a fashion designer. At the age of 17, Plaintiff was discovered and cast as a "Bond Girl", appearing in the iconic feature film starring Roger Moore, "A View to a Kill". Upon appearing in "A View to a Kill", Plaintiff was discovered by a modeling agency and, from 1984 to 2000 Plaintiff enjoyed a successful career as a high-fashion model, both on print and runway, with a global presence including New York, Los Angeles, London, Milan, Japan, Paris, and Russia, among others. From 2000 to 2003 Plaintiff returned to London where she worked with Julien McDonald, a renowned fashion designer and friend, to help him rebuild his company. Under the tutelage of Julien McDonald, Plaintiff learned the art of fashion design, quickly becoming Julien McDonald's co-designer. From 2003 to 2005 Plaintiff and Julien McDonald were sought out by a headhunting firm for the elite brand, Givenchy, in Paris. After working with Julien McDonald, who accepted the position, to establish him at the design house of Givenchy, Plaintiff returned to Los Angeles, where she worked as

a freelance designer and stylist accepting assignments in Los Angeles and Milan, Italy. It was during this period of time that Plaintiff began to develop her own line, having designed her first skull, the Louie Skull, in 2003. Plaintiff had been in the fashion industry for approximately 20 years before launching her own original design line, *Thomas Wylde*, named after her father (Thomas) and her great-grandmother (Wylde). During her 20-year tenure in the fashion industry, having worked with such notables as Dior, Jean-Paul Gautier and Valentino, Plaintiff developed her own unique style, techniques, concepts, and methodologies to fashion design. This 20-year trajectory in the fashion industry was instrumental and absolutely necessary for Plaintiff gaining the notoriety and recognition as an innovative, creative, world-famous and Industry-respected fashion designer.

B. "Thomas Wylde" and "Skull" Are Copyright Protected

28. From 2005 to 2006 Plaintiff developed, conceived and coined the name *Thomas Wylde* as the brand representing Plaintiff's designs, as well as the apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags that Plaintiff designed and took to market. Plaintiff, along with her daughter, Harley Wolitzky, own the business PDTW, LLC (Paula Dorothy Thomas Wylde) and Plaintiff alone owns the brand name *Thomas Wylde*. Plaintiff alone conceived of, created, and designed various marks and prints to represent *Thomas Wylde* and had those marks and prints

registered with the Copyright Office to protect herself and her brand. Plaintiff recognized that a logo was of great importance in marketing and selling her designs, so Plaintiff conceived, created and designed the logo of a "skull", which quickly became identifiable and closely associated with Plaintiff's designs and her *Thomas Wylde* brand. Plaintiff registered her mark, the "skull", with the United States Patent and Trademark Office ("USPTO") in order to put others on notice of her ownership claim obtained trademark. **Exhibit "1"** are the words, prints and symbols/logos that Plaintiff registered with the Copyright Office and the USPTO, as applicable attached to the Purchase Agreement.

29. David Schnider, then in-house counsel for PDTW, LLC, formed Thomas Wylde Holding, LLC, which company was then dissolved in January of 2015. Defendants Park, Schnider, and Hanna created "Thomas Wylde, LLC" in July 2014 to in order to receive funds to be wire-transferred by Defendant Hillshore from Spanish banks, as well as to continue the sale of Plaintiff's designs and garments pre-existing the wrongful termination of Plaintiff, as well as counterfeit copies of such garments manufactured either without Plaintiff's knowledge or authorization, or after her wrongful termination, which garments were sold using the *Thomas Wylde* brand. Defendants, however, neither included, offered nor allowed Plaintiff to be a member of the company bearing her protected mark *Thomas Wylde* at its initial organization on July 22, 2014. Plaintiff was, instead,

required to purchase units of membership in Thomas Wylde, LLC – essentially her company as it bore her mark and was intended to eventually lead to the dissolution of PDTW, LLC.

C. Formation of "Thomas Wylde" Brand Name

31. Sometime between 2005 and 2006, Plaintiff obtained a $500,000.00 investment from Valerie Serafin to launch *Thomas Wylde*. On its launching, Plaintiff established Thomas Wylde, Inc. with two employees, Plaintiff and Billy Horn. *Thomas Wylde,* the brand, quickly exploded, going from a $500,000.00 investment to grossing approximately $9.5M by its third season. Notwithstanding this success, Plaintiff dissolved Thomas Wylde, Inc. after its second season due to legal issues with Valerie Serafin.

32. Plaintiff hired the firm of Liner, Yankelvics & Sunshine to represent her interests in the dispute with Valerie Serafin and with regard to the dissolution of Thomas Wylde, Inc. Plaintiff eventually reached a settlement with Valerie Serafin, which included Plaintiff's acquisition of Valerie Serafin's interests for approximately $4,000,000.00. It was at this time, before the 3rd season, that PDTW, LLC and Paula Thomas, Inc. were formed. Plaintiff went to market in the 3rd season as **Paula Thomas for TW**, as Plaintiff was foreclosed from using the name 'Thomas Wylde' because of the pending legal dispute with Valerie Seriafin. It took Plaintiff 3 years to pay the settlement off.

D. Defendant Jene Parks and Plaintiff Form a Relationship

33. Defendant Park joined Plaintiff at the end of 2006 (around the 3rd or 4th season), after Thomas Wylde, Inc. had been dissolved. Plaintiff had previously been doing business with Park, from whom Plaintiff purchased fabric. At the time, Park had a fabric distribution company, and she was already conducting business with Alex Park, Plaintiff's distributor in Korea. Plaintiff was the sole creator and designer of her fashion line, prints and marks. Plaintiff knew Park had connections with manufacturing companies, and she realized *Thomas Wylde* needed an infrastructure, so it was an organic process for her to hire Park. Plaintiff thought she knew Park. Plaintiff also knew that Park was in talks with Erica Davies, a successful designer, who, in the end, did not want to move forward with Park on any business ventures.

34. Plaintiff hired Park to help Plaintiff with the *Thomas Wylde* line of fashion as an administrator, and her duties and responsibilities included: (a) overseeing production, (b) staff management, (c) day-to-day office management, (d) pick-and-pack, (e) sales, and (f) distribution and shipping. Park is not a fashion designer, nor did Plaintiff hire Park to design fashion for *Thomas Wylde*. Defendant Park does not have the skills, abilities, talents, vision, imagination and creativity to be a fashion designer. Plaintiff continued to be the creative director and ambassador of the brand, having all design responsibilities, which included: (a)

creating the concept or look of the garment, (b) selecting the fabric and color for the garment, (c) and directing/supervising the design teams in the creation of the patterns/designs, which Plaintiff then would edit until readied for production of the garment. All *Thomas Wylde* designs and prints were the product of Plaintiff's original concepts and visions that borrow from her life. Plaintiff's childhood, culture, life experiences, and passions all combine to create the designs and patterns that capture Plaintiff's personality and creative spirit. Plaintiff's considerable experience in the fashion industry, both as a model and a designer, is what enabled Plaintiff to create and launch a highly successful and popular chic line of fashion, with an original brand that rivaled Dior, Givenchy and Valentino.

35. From 2007 to 2013, Defendant Park gave Plaintiff the false impression that she was working hard and was diligent. Joe Keyser was the Chief Financial Officer for PDTW, LLC, and he brought in Michael Schiffman ("Schiffman") as a potential investor, who, in the end, loaned PDTW, LLC the sum of $500,000.00, charging a usurious interest rate of 18% and a security interest in Plaintiff's intellectual property. This relationship went sour quickly because, Keyser would embezzle money from PDTW, LLC often leaving insufficient funds to make a payment on the Schiffman loan. Paul Murphy, the attorney who represented PDTW in the dispute with Schiffman, assisted PDTW in reaching a settlement, pursuant to which Schiffman released the security interest back to Plaintiff, and

pursuant to which he received $200,000.00. Plaintiff owns PDTW with her daughter. The Schiffman debt was then transferred to Thomas Wylde, LLC, who agreed to assume the debt, mistakenly believing that the security interest was still in play.

E. Plaintiff Develops Cancer That Will Inhibit and Distract Her, Allowing Defendants to Take Over the *Thomas Wylde* Brand

36. Plaintiff was diagnosed with cancer in 2008. Shortly after receiving this diagnosis, Defendant Park sought and received permission from Plaintiff to start up a t-shirt design company, "Haute Tee", and she hired Billy Horn to sell the line in New York at Showroom 7. Plaintiff agreed to this arrangement on the mutual understanding that Park would design/produce only tee-shirts. Shortly after making this agreement, however, a friend/colleague of Plaintiff congratulated Plaintiff, while she was in Paris on a sales trip, for the "second line" of design that consisted of more than tee-shirts; it included cashmere with crystal, leather, etc., clear duplicates and replications of Plaintiff's distinct work and original designs obviously identifiable with Plaintiff's chic brand, *Thomas Wylde*. Plaintiff informed Defendant Park that she would be terminated unless Defendant Park abandoned the Haute-Tee venture.

F. Enter Defendant Attorney David Schnider

37. Defendant Park started to take more and more control over *Thomas Wylde*, causing problems for and confusion in the company. In 2012, Plaintiff wanted to discharge CFO Joel Keyser ("Keyser"), because he had caused PDTW to become embroiled in a lawsuit resulting from Keyser's misuse of PDTW funds, embezzlement and laundering of through PDTW books and accounts. Furthermore, Defendant Park could not perform as expected. The production costs increased under Defendant Park's responsibility. Plaintiff attempted to talk to Defendant Park about this issue, but Defendant Park became defensive and refused to talk about it. Plaintiff asked Defendant Schnider to talk to Defendant Park about the unacceptable increase costs of production, but Defendant Schnider encountered the same problem –Defendant Park became defensive and evasive. Defendant Schnider was "in-house counsel" for PDTW, LLC and then for Thomas Wylde, LLC.

G. Enter Defendant John Hanna and a "Conspiracy" and "Criminal Enterprise" is Formed

38. Defendant Park introduced Defendant Hanna to Plaintiff, while on a sales trip in Paris in 2013. Defendant Hanna had been connected to "BCBG", where Defendant Park met him. At this time, Plaintiff retained Elsa Berry of Vendome Global Partners to take *Thomas Wylde* designs to market place in search

of potential new investors. Unhappy with Vendome's performance, Plaintiff confided her dissolution to Defendant Hanna, who then introduced Plaintiff to the firm of Santli, Pastore & Hill for the preparation of a valuation report, which report it delivered to Plaintiff on September 17, 2013. Plaintiff then engaged Defendant Hanna as a consultant on an independent contractor basis to help find investors for *Thomas Wylde*. It wasn't until Defendant Hanna brought a lender to the table and the loan documents were ready for signature that Hanna first demanded a "finder's fee". Plaintiff, who was on holiday, and with the financial pressures brought on by the settlement of two major legal actions, capitulated and paid Defendant Hanna $100,000.00 out of PDTW, LLC, a transaction Defendant Hanna insisted remain secret.

39. In July of 2014, Defendant Hanna joined Thomas Wylde, LLC as the CEO. Immediately after Plaintiff had executed all documents, including the Employment Agreement and Purchase Agreement on December 31, 2014, Defendant Hanna began to berate Plaintiff yelling at her, telling her she was "shit" and her "designs are shit". Once Park and Hanna felt secure in having accomplished their illicit plan and felt they no longer needed Plaintiff, Park and Hanna "googled" the job description of a fashion designer, and advised Plaintiff that she would no longer design for *Thomas Wylde*. It was at this point in time that the concerted campaign of disruption and hostility toward Plaintiff was

commenced by Park and Hanna, with their interfering with her creative decisions, parading 'candidates' for Plaintiff's position through Plaintiff's office, with Plaintiff in the office, without making Plaintiff aware of the purpose for these individuals being paraded through Thomas Wylde, LLC. In fact, when Plaintiff refused to dress a singer name Cia in 2015, because Plaintiff did not believe Cia was right for the brand, Defendant Hanna overruled her decision. On one occasion, after all the employees had left the office, Defendant Hanna called a meeting with Defendant Park and Plaintiff, at which Defendant Hanna proceeded to yell and scream at Plaintiff. Defendant Hanna engaged in this behavior routinely.

H. Enter Defendant Stephen Choi and Hillshore Investments, S.A.

40. Defendant Hanna found Defendant Stephen Choi as an investor in Thomas Wylde, LLC. Once the investment documents were ready for execution, and feeling the pressure to meet debts occasioned by the mismanagement of Keyser (the aftermath), Park and Hanna, Defendant Hanna demanded another finder's fee in the amount of $50,000.00. In November/December 2014, Plaintiff went on holiday and became very ill. By this time Thomas Wylde, LLC was organized and agreements were being negotiated, documents Hanna insisted Plaintiff sign before end of year. Among these documents were the Purchase Agreement **(Exhibit "1")** that Defendant Choi and Defendants Hanna and Park

negotiated, an agreement pursuant to which Defendant Hillshore Investments, S.A. agreed to invest $2,000,000.00 in Thomas Wylde, LLC in return for the intellectual property rights under Plaintiff's name. In return, Plaintiff would receive 64 Units of Membership in Thomas Wylde, LLC, second largest shareholder, for an investment of $3,200.00 and an Employment Agreement with a value of at least $1,000,000.00. Defendant David Schnider had previously referred Plaintiff to Andrew Apfelber at Greenberg Glusker to represent PDTW, who also represented Plaintiff in the negotiations of the Purchase Agreement and the Employment Agreement between Thomas Wylde, LLC and Plaintiff **(Exhibit "2")**

I. Purchase Agreement Constitutes a Fraudulent Instrument

41. On or about December 2014 Plaintiff agreed to pay $3,200 and to assign her intellectual property interest as consideration for 64 Units of Membership in Thomas Wylde, LLC and an "Employment Agreement" for Plaintiff as a "***Condition Precedent.***" Under Clause 6(f) of the Purchase Agreement the following is one of the **conditions precedents**: "The Company's execution and delivery of an employment agreement for Paula Thomas in a form mutually agreed to by the parties." **(Exhibit "2", pg. 3, clause 6(f))** The Purchase Agreement also transferred the intellectual property rights and associated good will relating to the "Thomas Wylde brand and designs, including, without limitation, any copyrights, trademarks, patents, trade secrets, or any other rights therein but specifically

excluding Paula Thomas' name, image, likeness, biography and moral rights (IP)." Exhibit "A" to the Purchase Agreement identifies that intellectual property. Providing Plaintiff with an Employment Agreement was an essential and material term of the Purchase Agreement:

> "Plaintiff acknowledges and agrees that her obligations under the Confidentiality and Intellectual Property Agreement set forth in Addendum A survive the termination of this Agreement **so long as the mandatory bonus set forth in Section 4 and severance set forth above (as applicable) is actually paid**." (Emphasis added)

42. Defendants never fulfilled the contractual obligations of paying Plaintiff a severance package and bonus. Therefore, Plaintiff's intellectual property rights ***never*** transferred to Thomas Wylde, LLC.

43. Section 4 in the Employment Agreement states:

> "Except as set forth in Section 9, Employee must be employed at the time of payment to receive any such bonuses. Notwithstanding anything contained herein, Employee shall receive a bonus that is not less than 10% less than the largest bonus or aggregate bonuses paid to any member of the Company's senior management team, excluding any sales commissions or similar sales based on incentives. Such

mandatory bonus shall be paid in amounts and type of consideration equivalent to such largest bonus."

43. Clause 9 is the termination clause that only allows Defendants to terminate with "Cause" under very specific situations, but also requires Defendants to provide 30 days' written notice and provide Plaintiff with a 30- day cure period.

H. The Purchase Agreement is Null, Void, and Illegal

44. Defendants never intended to fulfill any of the terms and conditions either the Employment Agreement or the Purchase Agreement, and they intended to defraud Plaintiff out of her interests in Thomas Wylde, LLC. The Employment Agreement and the Purchase Agreement were signed on December 31, 2014. The Employment Agreement included a three-year contract of employment for $300,000.00 and a bonus. **(Exhibit "3", pg. 1, Clause 3, pg. 2, Clause 3)** On or about April 20, 2015 Defendants terminated Plaintiff without cause and failed to inform her of any performance issues, or to give her an opportunity to "fix" any such performance issues. There was no written notice of lack of performance to constitute "cause" and to justify termination as demanded by the Employment Agreement:

"9. Termination. The Company shall have the right to terminate Employee's employment under this Agreement at any time for Cause, which termination shall be effective immediately. Termination for Cause shall mean the commission of the following acts by Employee that are not reasonably cured within thirty days of Employee's receipt of written notice from the Company detailing the specifics the alleged acts or omissions of the Employee that Company believe fit the definition of Cause:

(i) material breach of this Agreement

(ii) intentional non-performance or mis-performance of her duties, or refusal to abide by or comply with the reasonable directives of her superior officers, or the Corporation's policies and procedures;

(iii) willful dishonesty, fraud, or misconduct with respect to the business or affairs of the Company, that in the reasonable judgment of the Manager or a Supermajority of the Membership Interest materially and adversely affects the Company;

(iv) conviction or, or a plea of nolo contendere to, a felony or other crime involving moral turpitude; or

(v) the commission of any act that is a conflict of interests (as defined above)."

45. There are no facts or evidence that can support a finding of any misconduct to justify immediate termination for cause. Moreover,

assuming, *arguendo*, that such facts and evidence exist, Defendants did not give Plaintiff "***written notice***" and ***30 days*** to fix the problems. By August 2015, Thomas Wylde, LLC, Park, Schnider, and Hanna agreed to dilute Plaintiff's shares from 32% of the Units Membership to 1.8% and agreed to sell those Units of Membership to Hillshore Investment, S.A., Stephen Choi, and Eniluz Gonzalez for $4,000,000.00. Plaintiff never authorized, approved, nor ratified the dilution of her Units. Shortly thereafter, Plaintiff filed a complaint in State Court.

46. Defendants continue to this day, over two and a half years, to sell of thousands of pieces of assets, assets consisting of apparel and accessories, including, without limitation, clothing, footwear, headwear, jewelry, scarves, and handbags that Plaintiff designed and that contain the copyright prints and designs, as well as the trademarked marks of *Thomas Wylde* and/or the "skull", thereby repeatedly infringing on Plaintiff's intellectual property rights.

X.

FIRST CAUSE OF ACTION

INFRINGEMENT OF COPYRIGHTS AGAINST ALL DEFENDANTS FOR MONETARY DAMAGES AND INJUNCTIVE RELIEF UNDER

Title 17 *U.S.C §§ 106, 201, 204, 205, 501, 502, 503, 504, 506*

(Plaintiff refers to and incorporate the allegations set forth in paragraphs 1 through 46)

47. Plaintiff obtained copyright protection regarding prints of fabrics with the following copyright dates and registration numbers that are identified on Exhibit A1 of the Purchase Agreement:

Title	**Registration Number**	**Registration Date**
Acid Flower	VA 1-344-484	04/14/2006
Henna Skull	VA 1-813-811	03/30/2011
Skull Flower	VAu 691-713	04/14/2006
Skull Pattern	A 1 344-483	04/14/2006
Money Print	VA 1-853-563	10/04/2012
Hidden Death Print	VA 1-853-575	10/24/2012
Ballet Bowie Print	VA 1-853-575	10/24/2012
Carpe Diem Print	VA 1-853-579	10/24/2012
Goth Moth	VA 1-853573	10/24/2012
Madame Butterfly	VA 1-853-576	10/24/2012
Samona Print	VA 1-853-576	10/24/2012
Cyclops	VA 1-907-692	09/11/2013
Louis Skull	VA 1-889-372	11/05/2013

Spinal Tap	VA 1-907-688	09/11/2013

48. Defendants have infringed on Plaintiff's copyrights and used the prints on clothing and apparel without Plaintiff's permission or authorization. The fabric prints are unique to Plaintiff's designs and her reputation as a designer. Defendants took the fabric prints and illegally applied them on clothes, apparel and other items that Defendants then displayed on a web-site for sale as well as on fashion sales trips and at fashion shows. These garments and accessories were then illustrated on fashion show promotional materials, advertisements, and marketing materials, as well as on social networking sites such as Instagram and Facebook. Defendants then sold these garments and accessories at grossly discounted prices without Plaintiff's permission or authorization.

49. Defendants have continuously used the protected prints from 2014 to the present without Plaintiff's permission and authorization to help Defendants sell, promote the sale of, market, advertise, the actual designs, lines and shapes that Plaintiff designed, as well as replicas of such designs, lines and shapes that Plaintiff designed. Defendants have expanded their illicit use of Plaintiff's copyrighted prints on other items such as handbags, footwear and menswear. Defendants have marketed and continue to market apparel with Plaintiff's copyrighted prints on the internet throughout the United States and internationally.

Defendants have used mail, wires, cables, and e-mail transmissions to advertise and market garments using and/or bearing Plaintiff's copyrighted prints throughout the United States and world without the permission or authorization from Plaintiff. Defendants have received revenue from these illegal sales through interstate and international commerce through the use of wire transfers and credit cards.

50. Defendants' illegal conduct violating the copyright laws designed to protect Plaintiff have caused Plaintiff to suffer, and continues to cause Plaintiff to suffer, irreparable, lasting harm and damages. Plaintiff will continue to suffer irreparable harm unless the United States District Court issues a (a) temporary restraining order and (b) preliminary injunction to prohibit Defendants from selling, advertising, marketing, showing, displaying, promoting, publicizing, presenting, and announcing any garments, apparel and/or accessories of any kind that uses and/or includes Plaintiff's copyrighted print, including but not limited to clothes, pants, shirts, belts, head ware, purses, footwear, t-shirts, dresses, skirts, and sweaters that include Plaintiff's original prints. This request is made pursuant to *17 U.S.C. §502*. At her option, Plaintiff is entitled to actual damages, lost profits, and/or statutory damages.

A. Criminal Infringement of Copyrights Belonging to Plaintiff

51. Defendants created an elaborate scheme to steal Plaintiff's copyright protected prints to use on garments and accessories of substantially inferior quality,

garments that use and incorporate Plaintiff's protected property, intellectual and otherwise, without Plaintiff's permission or authorization. These garments and accessories are ones that Plaintiff did NOT design or are based on Plaintiff's original designs and shapes, and which Defendants inject into commerce for private and personal financial gain. Defendants intentionally and willingly infringed and continue to infringe on Plaintiff's copyrights for the purpose of commercial advantage and private gain. Defendants lack the imagination, creativity, skills, talents, abilities and attributes required to design garments and accessories for sale. When Defendants created Thomas Wylde, LLC in July 2014, they started selling Plaintiff's designs and shapes through that company, removing any such sales from PDTW, LLC. When Defendants forced Plaintiff out of Thomas Wylde, LLC, Park took over the design responsibilities, describing herself in social media as a 'self-made designer'. Defendant Park, however, is not and was never a designer. Defendants are not designers and do not have the skills, abilities, talents, attributes, vision and creative capacity required to design any apparel or accessory. Yet, Defendants ripped of Plaintiff's designs and diminished the quality of the designs and product damaging Plaintiff's name and reputation in the Fashion Industry. When placing the brand of *Thomas Wylde* on garments and accessories, Defendants diminished the marketability of the Plaintiff's designs and shapes. In order to sell garments and accessories, Defendants designed and manufactured grossly inferior products using Plaintiff's copyright protected prints to make the inferior garments look like the high-priced garments and accessories identified as Plaintiff's and for which Plaintiff alone has gained much recognition and praise, thereby leading to confusion and mistakes in the marketplace. This scheme and conduct violates *17 U.S.C §506(a)*.

B. Requested Remedies

52. Furthermore, Plaintiff requests that the United States District Court impound the following under *17 U.S.C. §§ 502, 503*. Under the former statute:

> **(a)** Any court having jurisdiction of a civil action arising under this title may, subject to the provisions of section 1498 of title 28, grant temporary and final injunctions on such terms as it may deem reasonable to prevent or restrain infringement of a copyright.
>
> **(b)** Any such injunction may be served anywhere in the United States on the person enjoined; it shall be operative throughout the United States and shall be enforceable, by proceedings in contempt or otherwise, by any United States court having jurisdiction of that person. The clerk of the court granting the injunction shall, when requested by any other court in which enforcement of the injunction is sought, transmit promptly to the other court a certified copy of all the papers in the case on file in such clerk's office.

53. Under the latter statute:

all copies or phono records claimed to have been made or used in violation of the exclusive right of the copyright owner;

(B) of all plates, molds, matrices, masters, tapes, film negatives, or other articles by means of which such copies or phono records may be reproduced; and

(C) of records documenting the manufacture, sale, or receipt of things involved in any such violation.

54. Plaintiff seeks remedies that also include (a) forfeiture, (b) destruction of replica clothes infringing on Plaintiff's copyrights, and (c) restitution of all proceeds Defendants received from the sale of any garment that Plaintiff did not design but has Plaintiff's copyright protected printed fabrics.

55. Plaintiff also seeks monetary damages in the form of actual damages or statutory damages under *17 U.S.C. §504* depending on the development of evidence through discovery, an accounting of the books and records for all Defendants, and an inspection of the inventory of all apparel. Plaintiff will also seek damages under *17 U.S.C 504(d).*

56. Plaintiff also seeks to have all apparel Defendants designed and marketed destroyed:

(a) Rights of attribution and integrity. Subject to section 107 [17 USCS § 107] and independent of the exclusive rights provided in section 106 [17 USCS § 106], the author of a work of visual art--

(1) shall have the right--

(A) to claim authorship of that work, and

(B) to prevent the use of his or her name as the author of any work of visual art which he or she did not create;

(2) shall have the right to prevent the use of his or her name as the author of the work of visual art in the event of a distortion, mutilation, or other modification of the work which would be prejudicial to his or her honor or reputation; and

(3) subject to the limitations set forth in section 113(d) [17 USCS § 113(d)], shall have the right--

(A) to prevent any intentional distortion, mutilation, or other modification of that work which would be prejudicial to his or her honor or reputation, and any intentional distortion, mutilation, or modification of that work is a violation of that right, and

(B) to prevent any destruction of a work of recognized stature, and any intentional or grossly negligent destruction of that work is a violation of that right.

57. These remedies are more than justified because Plaintiff has suffered and will continue to suffer irreparable harm: Defendants have diluted and continue to dilute the value of the *Thomas Wylde* brand and the Paula Thomas name by selling grossly inferior garments to the public with symbols, names, words, and prints that are exclusively associated with Plaintiff and Plaintiff's brand *Thomas Wylde*. Plaintiff has lost and will continue to lose the economic and financial benefits of her name and the name of *Thomas Wylde*.

58. Plaintiff seeks the following as part of the District's Court Temporary Restraining Order and Preliminary Injunction:

a. Defendants are prohibited from selling any apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law;

b. Defendants are prohibited from designing any apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law;

c. Defendants are prohibited from creating, developing and advertising on print, commercials, photographs, and web-sites/internet any apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law;

d. Defendants are prohibited from designing, manufacturing, distributing, selling at retail, fashion shows and wholesale stores of any apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law;

e. Defendants are Ordered to search for, collect, gather, assemble and store in one location that is convenient for Plaintiff to conduct an inspection of all apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, as well as advertisements, publications, marketing material, and any/all physical and electronic items ("ESI") that depict in any way the trademark and copyright protected items.

f. The storage facility must have sufficient space, light, room, and ventilation to protect the materials as well as to allow for the inspection until Plaintiff, Plaintiff's counsel and agents/employees/experts/assistants have completed said inspection, which shall continue from day-to-day starting at 9:00 a.m. and ending at 6:00 p.m. every day until completed;

g. All apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, as well as advertisements, publications, marketing material, and any/all physical and electronic items ("ESI") that depict in any way the trademark protected items must be properly organized for the inspection by categories of items;

h. Defendants shall produce for Plaintiff's inspection within 30 days all contracts that Defendants signed from July 2014 to the present time related to (a) documents and ESI related to any and all moneys injected into Thomas Wylde, LLC, (b) documents and ESI related to all expenditures, (c) the manufacturing process of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, (d) the distribution of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, (e) the sale (retail and wholesale) of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, (f) contracts by and between any and all the Defendants, as well as between any Defendant and third party entity or individual, and (g) electronically stored information ("ESI") in the computer systems and web-site for Thomas Wylde, LLC that includes Plaintiff's trademark and copyrights, both registered and common law;

i. Thomas Wylde, LLC and all Defendants must make available for Plaintiff's and Plaintiff Counsel's inspection within 30 days all Profits and Losses Statements, balance sheets, Accounts Receivable, QuickBooks data, tax returns for both state and federal for all Defendants, including all financial books, accountings, receivables, all documents regarding the sales of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, all expenditures, inventory of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, all books and records, minutes of any meetings of officers, directors, managing agents, bank statements and wire transfers of money, owner withdrawals, employee benefits and wages/earnings, all salaries, and distribution of anything of value to any persons having any ownership interests in Thomas Wylde, LLC;

j. Defendants must comply within 30 days from the date the order is issued and provide declarations of individuals (not attorneys) with personal knowledge regarding all steps taken to comply with the Order;

k. Defendant must immediately (within 5 calendar days) return all apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law that Defendants have in their custody, control and/or possession;

l. Defendants must stop doing business as "Thomas Wylde, LLC" and cannot open a new business that infringes on Plaintiff's rights, including copyrights and trademarks;

m. Defendants must deposit in an escrow account controlled by a neutral, third party all assets obtained by Thomas Wylde, LLC and/or in the possession of Park, Hanna and/or Hanna's girlfriend (Tasha Hess), Choi, Gonzalez, Schnider, and/or their respective spouses, or any other individual wrongfully associated with any of the defendants;

n. Recovery of any and all Thomas Wylde, LLC's "designs/apparel and accessories" that has been gifted and/or loaned to any celebrities and/or PR, press/media, people;

o. Bringing back all Thomas Wylde, LLC inventory and assets, including production samples; patterns; molds; etc. from wherever they may be domestically and abroad, e.g. Korea; Paris; Milan; China; Russia; etc.; and

p. Take down all e-commerce; removing inventory from all brick-and-mortar stores, both domestically and abroad, that carry Thomas Wylde, LLC assets/inventory.

XI.

SECOND CAUSE OF ACTION

TRADEMARK INFRINGEMENT UNDER *15 U.S.C. §§ 1114, 1116, 1117, 1121,1125, and 1127* AGAINST ALL DEFENDANTS FOR MONETARY DAMAGES AND INJUNCTIVE RELIEF

(Plaintiff refers to and incorporate the allegations set forth in paragraphs 1 through 58)

59. Exhibit A-1 to the Purchase Agreement sets forth all the trademark protected symbols, words, and names with the corresponding Serial No./Reg. No. and status. The "Henna Skull Design", "The Wylde" and "Thomas Wylde" are still protected under the name of Plaintiff. Plaintiff owns this intellectual property and it was never transferred to Defendants. Plaintiff never gave Defendants permission or authorization to use her intellectual property. These words and symbols are protected under *15 U.S.C. 1127* for the exclusive benefit of Plaintiff.

60. Defendants infringed on Plaintiff's trademarks by using and placing the protected marks on garments and accessories, including, but not limited to clothing, footwear, handbags, menswear, headwear, and apparel, as well as advertisements and marketing materials of designs of clothing that Plaintiff did not design, and would never have designed, because such apparel is of a substantially inferior quality that would diminish/dilute the name of Plaintiff and her brand *Thomas Wylde*. By manufacturing garments, apparel, and accessories that with which Plaintiff is not associated in any way, but which use Plaintiff's protected marks, Defendants have caused, and continue to cause, confusion and mistakes in the market place with Plaintiff's properly designed garments and accessories. Defendants have also advertised, promoted and marketed their poor-quality clothing and apparel on the internet, during fashion sales trips, in fashion shows, and in brick-and-mortar stores throughout the United States and internationally.

Therefore, Defendants diluted and continue to dilute the value of Plaintiff's designs and shapes, as well as of her brand *Thomas Wylde*. Defendants have violated and continue to violate *15 U.S.C. 1125(a)*:

> **(1)** Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which--
>
> > **(A)** is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or
> >
> > **(B)** in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities, shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

61. All Defendants conspired to use Plaintiff's trademark protected marks and logos, thereby infringing upon her ownership rights. This conspiracy started

with the exclusion of Plaintiff from the initial organization and formation of Thomas Wylde, LLC, only to then falsely and fraudulently give Plaintiff the "opportunity" to buy 32% ownership interest through fraudulent instructions and agreements that Defendants created, but with which they never intended to comply, in an effort to cause Plaintiff to sign over her intellectual property rights. Upon Plaintiff's execution of all documents Defendants deemed necessary to carry out their plot, Defendants wrongfully terminated Plaintiff in violation of the Employment Agreement proving that agreement to be a fraud. When Plaintiff filed for unemployment benefits, Defendants opposed Plaintiff's application. Upon completing an investigation in the allegations raised by Defendants, the EED found in favor of Plaintiff. Defendants then, in September of 2015, diluted Plaintiff's ownership interest from 32% to 1.8%. Now, Defendants are selling garments using Plaintiff's intellectual properties, including her original designs, shapes, patterns, and molds to produce and manufacture garments and accessories of a grossly inferior quality and selling them to the public as Plaintiff's designs. Defendants have violated *15 U.S.C. 1127*:

(1) Any person who shall, without the consent of the registrant--

(a) use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive; or

(b) reproduce, counterfeit, copy, or colorably imitate a registered mark and apply such reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, or advertising of goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive, shall be liable in a civil action by the registrant for the remedies hereinafter provided. Under subsection (b) hereof, the registrant shall not be entitled to recover profits or damages unless the acts have been committed with knowledge that such imitation is intended to be used to cause confusion, or to cause mistake, or to deceive.

62. Plaintiff seeks injunctive relief under *15 U.S.C. 1116* to stop Defendants from continuing to infringe on Plaintiff's trademark protected items. Plaintiff is entitled to receive injunctive relief under *15 U.S.C. 1116(a):*

The several courts vested with jurisdiction of civil actions arising under this Act shall have power to grant injunctions, according to the principles of equity and upon such terms as the court may deem reasonable, to prevent the violation of any right of the registrant of a mark registered in the Patent and Trademark Office or to prevent a violation under subsection (a), (c), or (d) of section 43 [15 USCS § 1125].

63. Plaintiff seeks a Temporary Restraining Order and Preliminary Injunction:

a. Defendants are prohibited from selling any apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law;

b. Defendants are prohibited from designing any apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law;

c. Defendants are prohibited from creating, developing and advertising on print, commercials, photographs, and web-sites/internet any apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law;

d. Defendants are prohibited from designing, manufacturing, distributing, selling at retail, fashion shows and wholesale stores of any apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law;

e. Defendants are Ordered to search for, collect, gather, assemble and store in one location that is convenient for Plaintiff to conduct an inspection of all apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, as well as all advertisements, publications, marketing material, and any/all physical and electronic items ("ESI") that depict in any way the trademark and copyright protected items.

f. The storage facility must have sufficient space, light, room, and ventilation to protect the materials and to allow for the inspection within 30 days until Plaintiff, Plaintiff's counsel and agents/employees/experts/assistants have completed the inspection, that shall continue from day-to-day starting at 9:00 a.m. and ending at 6:00 p.m. everyday;

g. All apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, as well as all advertisements, publications, marketing material, and any/all physical and electronic items ("ESI") that depict in any way the trademark protected items must be properly organized for the inspection by categories of items;

h. Defendants shall produce for Plaintiff's inspection within 30 days all contracts that Defendants signed from July 2014 to the present time related to (a) documents and ESI related to any and all moneys injected into Thomas Wylde, LLC, (b) documents and ESI related to all expenditures, (c) the manufacturing process of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, (d) the distribution of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, (e) the sale (retail and wholesale) of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, (f) contracts by and between any and all the Defendants, as well as between any Defendant and third party entities and individuals, and (g) electronically stored information

("ESI") in the computer systems and web-site for Thomas Wylde, LLC that includes Plaintiff's trademark and copyrights;

i. Thomas Wylde, LLC and all Defendants must make available for Plaintiff's and Plaintiff Counsel's inspection within 30 days all Profits and Losses Statements, balance sheets, Accounts Receivable, QuickBooks data, tax returns for both state and federal for all Defendants, including all financial books, accountings, receivables, all documents regarding the sales of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, all expenditures, inventory of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, all books and records, minutes of any meetings of officers, directors, managing agents, bank statements and wire transfers of money, owner withdrawals, employee benefits and wages/earnings, all salaries, and distribution of anything of value to any persons having any ownership interests in Thomas Wylde, LLC;

j. Defendants must comply within 30 days from the date the order is issued and provide declarations of individuals (not attorneys) with personal knowledge regarding all steps taken to comply with the Order;

q. Defendant must immediately (within 5 calendar days) return all Thomas Wylde, LLC and all Defendants must make available for Plaintiff's and Plaintiff Counsel's inspection within 30 days all Profits and Losses Statements, balance sheets, Accounts Receivable, QuickBooks data, tax returns for both state and federal for all Defendants, including all financial books, accountings, receivables, all documents regarding the sales of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, all expenditures, inventory of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, all books and records, minutes of any meetings of officers, directors, managing agents, bank statements and wire transfers of money, owner withdrawals, employee benefits and wages/earnings, all salaries, and distribution of anything of value to any persons having any ownership interests in Thomas Wylde, LLC;

k. that Defendants have in their custody, control and/or possession having copyright and trademark protections;

l. Defendants must stop doing business as "Thomas Wylde, LLC" and cannot open a new business that infringes on Plaintiff's copyrights and trademarks;

m. Defendants must deposit in an escrow account control by a neutral, third party all assets obtained by Thomas Wylde, LLC and in the possession of Park, Hanna and/or Hanna's girlfriend (Tasha Hess), Choi, Gonzalez, their respective spouses and/or any other individual wrongfully associated with any of the Defendants;

n. Recovery of any and all Thomas Wylde, LLC's assets, designs/apparel that has been gifted and/or loaned to any celebrities and/or PR, press/media, people;

o. Bringing back all Thomas Wylde, LLC inventory and assets, including production samples; patterns; molds; etc. from wherever they may be domestically and abroad, e.g. Korea; Paris; Milan; China; Russia; etc.; and

p. Take down all e-commerce; removing inventory from all brick-and-mortar stores, both domestically and abroad, that carry Thomas Wylde, LLC assets/inventory.

64. In addition to injunctive relief under *15 U.S.C. 1116*, Plaintiff will seek damages Plaintiff has sustained, costs of litigation and attorneys' fees. Defendants

conduct has been malicious, vindictive, intentional and willful; Defendants knew that the use of trademarks owned by Plaintiff was wrong and illegal, but Defendants simply did not care because they believed Plaintiff was too sick and ill to put up a fight. In other words, Defendants took advantage of Plaintiff's weak and ill condition thinking and hoping Plaintiff would just 'go away'.

65. Alternatively, Plaintiff may select statutory damages as opposed to lost profits and attorney fees in the amount of $200,000.00 per counterfeit mark per type of garment, accessory, and apparel sold. However, in light of the undeniable fact that the admissible evidence will show that the counterfeit mark on all clothes and apparel that Defendants created, manufactured, distributed and sold was willful, Plaintiff will seek $2,000,000.00 per counterfeit per each piece of garment, accessory, and apparel containing the counterfeit mark.

XII.

THIRD CAUSE OF ACTION

FRAUD AND INTENTIONAL MISREPRESENTATION AGAINST ALL DEFENDANTS FOR MONETARY DAMAGES

(Plaintiff refers to and incorporates the allegations set forth in paragraphs 1 through 65)

66. In July 2014, the company producing and selling clothes Plaintiff designed included PDTW, LLC, of which Plaintiff owned 99.5%. Plaintiff's

intellectual property rights were, at that time, held by Thomas Wylde Holdings, LLC, which IP rights were released and returned to Plaintiff when that company was dissolved. Prior to July 22, 2014, Plaintiff designed and sold *Thomas Wylde* designs and shapes through PDTW, LLC. Defendants Schnider and Hanna created, started and organized Defendant Thomas Wylde, LLC as a Limited Liability Corporation for no apparent reason. In other words, there was not a legitimate business reason to stop selling product through PDTW, LLC and start selling through Thomas Wylde, LLC. The only reasons that Defendants created the shell of Thomas Wylde, LLC is to steal Plaintiff's interests in PDTW, LLC. Plaintiff did not authorize or give permission to Defendants to use the name "Thomas Wylde."

67. Before July 22, 2014, Defendant Schnider was the in-house counsel for PDTW, LLC, and Defendant Park was the Chief Operating Officer for PDTW, LLC. Again, Plaintiff owned and continues to own 99.5% of PDTW, LLC, with her daughter owning the other .5% of that company. Therefore, it is clear that Defendants Park and Hanna did not have any ownership interest in PDTW, LLC – the company that was designing and selling Plaintiff's designs and shapes. Defendant Hanna was not part of PDTW, LLC, becoming Chief Executive Officer of Thomas Wylde, LLC upon its organization. Defendants Hanna and Park, along with Defendants Lee and Kuo, all became holders of Units of Membership in

Thomas Wylde, LLC upon its organization in July 2014. However, Plaintiff did not; Defendants intentionally and illicitly excluded her. These Defendants stopped using PDTW, LLC to sell clothes that Plaintiff designed for no apparent reason other than "that's the way things are done". These Defendants then established Thomas Wylde, LLC to use the trademark protected brand *Thomas Wylde*, and the Defendants sold Plaintiff's designs and shapes through Thomas Wylde, LLC. Without informing Plaintiff, in August 2014, Defendants Hillshore Investment, S.A., Choi and Gonzalez entered into an agreement to make substantial investments into Thomas Wylde, LLC, and they started at that time to inject hundreds of thousands of dollars without any formal agreements. It was at this time the Defendant conspired to move Plaintiff out so Hillshore Investment, S.A., Choi and Gonzalez could take ownership and control of Thomas Wylde, LLC.

A. Misrepresentations of Material Fact Defendants Made to Plaintiff

68. Defendants' conspiracy to commit fraud by intentional misrepresentations and fraud included clusters of facts that are closely related but form independent claims for fraud:

a. Defendants made false statements of material fact to Plaintiff that they were starting up Thomas Wylde, LLC. because "that's the way it's done";

b. Defendants Schnider and Hanna made several verbal misrepresentations of material facts to Plaintiff, e.g., that she was going to be allowed to purchase substantial Units of Membership to give her majority ownership of Defendant Thomas Wylde, LLC, so she could continue to be the Chief Creative Director in charge of designing *Thomas Wylde* fashion lines and shapes to be sold under Defendant Thomas Wylde, LLC;

c. Defendants discussed, agreed and set in motion the creation of the Purchase Agreement and Employment Agreement, pressuring Plaintiff to sign these documents by no later than December 31, 2014, both documents contain false statements of material fact, and there was not a legitimate reason to put a time limit on when to sign the documents;

d. Plaintiff could purchase 64 Units of Membership Interest in Thomas Wylde, LLC;

e. Plaintiff only needed to invest $3,200 in Thomas Wylde for those 64 Units of Membership;

f. Defendants agreed to provide Plaintiff an Employment Agreement in mutually agreeable form;

g. The intellectual property rights would transfer to Thomas Wylde, LLC only if the Defendants fulfilled their obligations under the Employment Agreement by actually paying Plaintiff the severance package, which they did not.

B. False Representations of Material Fact in the Purchase Agreement

69. Sometime before the signing of the Purchase Agreement and Employment Agreement, Defendants Hanna and Schnider informed Plaintiff that Thomas Wylde LLC needed money to finance the ***business operations*** of Thomas Wylde, LLC, and they found an "investor" (Defendant Hillshore Investment, S.A.) who could "invest" $2,000,000.00 in the company on December 31, 2014. Defendant Schnider and Hanna falsely told Plaintiff that in order to get the $2,000,000.00 investment Plaintiff had to sign a Purchase Agreement and Employment Agreement. Defendant Hillshore Investments, S.A., however, was already investing money into Thomas Wylde, LLC, having wire-transferred the initial injection of $600,000.00 in August of 2014. Defendants Schnider and Hanna then falsely told Plaintiff that she was going to get 32% ownership interest for only $3,200.00, and that she would remain the Chief Creative Director. These statements were false, and were intended to merely induce Plaintiff to execute these documents as directed by those who owed her a fiduciary duty and whom she mistakenly trusted. The "investment" was not limited to $2,000,000.00, and Defendants knew Hillshore Investment, S.A., Choi and Gonzalez wanted to buy Defendant Thomas Wylde, LLC for a figure between $5,200,000.00 and $9,200,000.00. Defendants also intended to deceive Plaintiff into believing that

she would own substantial Units of Membership, but that was impossible because the $5,200,000.00 to $9,200,000.00 "investment" required Defendants Schnider, Hanna, Park, Thomas Wylde, LLC, Lee, and Kuo to transfer more Units of Membership to Defendants Hillshore Investment, S.A., Choi and Gonzalez. Those Units of Membership came from the 64 units Plaintiff purchased.

C. Material Misrepresentations of Material Fact Regarding the Employment Agreement

70. The Employment Agreement also contains misrepresentations of material facts. The Employment Agreement was a fraudulent instrument designed to induce Plaintiff to sign the Purchase Agreement. The Employment Agreement stated Plaintiff could only be terminated for "Cause" and for "Cause" was specifically defined in the Employment Agreement. Defendants did not have any intention to comply with this clause. Defendants terminated Plaintiff four months after signing the Employment Agreement for no valid reason, and certainly not for Cause. Plaintiff was forced to file for unemployment, and Defendant opposed that she receives any unemployment benefits. The EED ruled in favor of Plaintiff's after an investigation and decided that Plaintiff did not do anything wrong to justify the termination. Defendants appealed, but dismissed the appeal one day before the hearing.

71. Defendant also misrepresented that Plaintiff would receive a severance package and bonus, but Defendants did not fulfill that commitment and never had the intention to fulfill that commitment. Defendants also misrepresented the material fact that Plaintiff would be given written Notice of any Termination and have 30 days to cure what Defendants' believed to be "Cause." All of these false statements are misrepresentation of material facts because Plaintiff would not have signed the agreements if these representations were not truthful.

D. Defendants "Intended" to Make False Statements of Material Fact

72. Defendants "***intended***" to make misrepresentations of material fact because of their "greed" to embezzle a substantial portion of the $9,200,000.00. Defendant Thomas Wylde, LLC was NOT in a need of a $9,200,000.00 investment to successfully run its business operations in the design fashion industry. Also, Defendants Hillshore Investment, S.A., Choi, Gonzalez needed a business in the United States to launder money that Defendants Hillshore Investment, S.A., Choi, Gonzalez obtained to evade taxes.

73. All Defendants ***intended*** to ***not*** fulfil the obligations stated to Plaintiff and that they set forth in the Purchase Agreement and Employment Agreement. They all met, conferred, discussed, and agreed to present Plaintiff with the Purchase Agreement and Employment Agreement for her signature to gain the

rights under her trademarks and copyright. They never had the intention of honoring the Employment Agreement and Purchasing Agreement. Defendants never had the intention of allowing Plaintiff to purchase and maintain a 32% ownership interest in Thomas Wylde, LLC, transferring 64 units of membership to make her a substantial holder. From the moment Plaintiff signed the Purchase Agreement and Employment Agreement, Defendants started hostile campaign designed to demoralize Plaintiff and to drive her to give Defendants "Cause" to terminate her, or, in the alternative, to have Plaintiff voluntarily resign. This hostile campaign consisted of Hanna verbally berating Plaintiff, insulting her creative ideas as unmarketable, insulting Plaintiff in public to Plaintiff's colleagues and friends, and taking steps to find a replacement for Plaintiff without Plaintiff's knowledge. Without any cause whatsoever, Defendants terminated Plaintiff on or about April 20, 2015 – four months after Plaintiff signed the Purchase Agreement and Employment Agreement. **Exhibit "3"** is a true and correct copy of the letter and e-mail exchange between Plaintiff's employment lawyer and Defendant Hanna. **Exhibit "3"** constitutes conclusive proof and undisputed evidence that Defendants violated both the Employment Agreement and the Purchase Agreement and that there was not any legitimate basis for the termination.

74. Evidence of "***intent***" to deceive is memorialized in the termination e-mail that Defendant Schnider prepared. First, Defendant Schnider does not state

any reason for the termination consistent with the definition of "Cause" as defined in the Employment Agreement, Clause 9. Second, Defendant Schnider did not give written notice to Plaintiff, nor did they provide Plaintiff 30 days to correct any lack of performance as required by the Employment Agreement. Even if the e-mail from Defendant Schnider could be reasonably accepted as containing a legitimate reason for terminating Plaintiff for cause, he did not give Plaintiff proper notice of such "Cause" or the contractual 30 days from the date of the e-mail to reasonably cure the conduct consisting "Cause." Defendants' conduct from April 20, 2015 to approximately May 14, 2015 was so contradictory it is almost laughable if it was not so serious an infringement. Defendants informed Plaintiff not to come back to work in the April 20, 2015 e-mail, but Defendants then send another correspondence on May 14, 2015 fabricating reasons for the termination, stating Plaintiff had abandoned her position, among other false statements. These two items of correspondence are sufficient evidence to prove "intent."

75. Furthermore, counsel for Defendants fabricated a letter nearly 30 days after Plaintiff's receipt of the terminating e-mail making further false allegations in his effort to fabricate alleged facts justifying the termination for "Cause." Defendants' fraudulent purpose is revealed by the fact that termination for "Cause" required giving Plaintiff proper written notice before termination and giving

Plaintiff 30 days to cure. The letter does not contain any offer to allow Plaintiff to cure. The letter is only more evidence of "intent" to deceive.

76. Defendant Park soon took over Plaintiff's position as Chief Creative Director, a taking that was announced in the L.A. Times. Defendant Park does not have a creative bone in her body and lacks the necessary skills, talents, attributes, abilities, experience and imagination to design any marketable clothes or apparel, such as the designs and shapes for which *Thomas Wylde* became famous when under Plaintiff's watch and guidance.

E. Plaintiff did not have any "Knowledge" that the Statements of Material Fact Were False

77. Plaintiff was not privy to any communication exchange by and between the Defendants, and, consequently was precluded from obtaining any information regarding the statements of material fact. Defendant Schnider, an attorney working in-house for Thomas Wylde, LLC, and Defendant Hanna dealt with the business side of Defendant Thomas Wylde, LLC. Plaintiff focused on the creative side of the business, creating the designs and shapes, and organizing the lines to be introduced for the upcoming fashion season, and, as such, Plaintiff was not in the business side of Thomas Wylde, LLC. Plaintiff did not have any knowledge that Defendants were not going to honor the verbal and written terms and

conditions of the Purchase Agreement and the Employment Agreement. Defendants never told Plaintiff they were going to accept up to $9,200,000.00 as an "investment." Defendants never informed Plaintiff that Defendants were going to dilute her shares in Thomas Wylde, LLC, some they did within 5 months from having wrongfully terminated her. Plaintiff did not know that Defendants simply wanted to wrongfully take her professional identity, her legacy and her property, including her trademark and copyright-protected items to counterfeit the same on garments and accessories of grossly poor quality.

F. Defendants Knew that Plaintiff Lacked Knowledge that the Statements of Material Facts Were False

79. For a substantial portion of the time between July 2014 and December 2014, Plaintiff was not available due to her illness. Defendants took advantage of Plaintiff's poor health by working and conspiring behind Plaintiff's back, not openly discussing any part of their plan, conspiracy and/or criminal enterprise. Defendants did not make Plaintiff privy to any conversations, communications, deals and/or e-mails containing information about the false misrepresentations. Plaintiff continuously focused on the creative side of *Thomas Wylde*, the aspect of the business that is her passion. Plaintiff trusted Defendant Thomas Wylde, LLC, Schnider, Hanna and Park because they operated the business and administrative

side of Thomas Wylde, LLC that allowed Plaintiff to pursue her creative goals. When Defendants Schnider and Hanna informed Plaintiff that they were folding Thomas Wylde Holding, Inc. they merely told her it was the right thing to do. They did not even consult with Plaintiff before establishing Thomas Wylde, LLC.

G. Plaintiff Reasonably Relied on Defendants Verbal and Written Communications that were Fraudulent

80. Plaintiff is not a business person. Plaintiff lacks experience as a business person experienced with the day-to-day operations of a company that is quickly growing. She has never negotiated a Purchase Agreement or an Employment Agreement. She does not understand the differences between a corporation, limited liability corporation or company, and partnerships. She does not know when it is wise to close down one corporation and open another corporation, and the people she trusted to explain these aspects to her and to "have her back" in the day-to-day operations of Thomas Wylde, LLC, failed her. Defendant Schnider was the in-house attorney for Defendant Thomas Wylde, LLC and Hanna was the CEO. They have much more business and legal experience than Plaintiff – who has very little, if any. There was not any reason to doubt Defendants' statements. Defendant Schnider even referred Plaintiff to an attorney with regard to PDTW, which attorney then represented Plaintiff in the negotiation of the terms and conditions of the packet of documents to be signed before end of

year 2014, including the Employment Agreement that was an essential part of the Purchase Agreement.

H. Plaintiff Sustained and Continues to Sustain Harm and Damages

81. Defendants caused and continue to cause Plaintiff irreparable harm: personal, medical, professional, as well as financial and past/future economic harm. Defendants have stolen Plaintiff's legacy and property, including her trademarks and copyrights. Defendants' fraudulent conduct was and continues to be a substantial factor in causing Plaintiff's harm and damages in the form of actual damages, lost profits, and copyright/trademark infringements.

XIII.

FOURTH CAUSE OF ACTION

FRAUD BY CONCEALMENT AGAINST ALL DEFENDANTS FOR MONETARY DAMAGES

(Plaintiff refers to and incorporates the allegations set forth in paragraphs 1 through 81)

82. Defendants engaged in a plan, conspiracy and criminal enterprise to commit fraud by concealment for the purpose of eliminating Plaintiff from any ownership interest in Thomas Wylde, LLC and violating Plaintiff's rights under the copyright and trademark laws of the United States by selling garments and accessories that falsely represent the designs of Plaintiff.

A. Defendants Owed Plaintiff a Fiduciary Duty of Reasonable Care and Loyalty

83. Plaintiff and Defendants, Hanna, Park, Kou, and Lee had Units of Membership in Thomas Wylde, LLC. Plaintiff was dependent on Defendants to operate the business side of the company and to make sure there was sufficient capital to operate. After the signing of the Purchase Agreement and Employment Agreement, Plaintiff "invested" $3,200.00 to purchase 64 Units of Membership, which Defendants diluted within 5 months from Plaintiff's termination. Plaintiff focused on the creative aspect of the business to creating, designing and manufacturing garments and accessories for a profit. The Defendants had superior knowledge and experience in the operation of a business, and Plaintiff's experience and knowledge in that area was limited. As members of the same company and Defendants' superior knowledge in business operations and law, Defendants owed Plaintiff a fiduciary duty.

B. Defendants Concealed Material Facts from Plaintiff to Make Representations Fraudulent

84. Defendants concealed the following material facts:

a. Defendants folded Thomas Wylde Holding, Inc. to start the process of removing Plaintiff from all business operations related to the sale of garments and accessories using Plaintiff's designs and, and which contain symbols, words, names and prints that belong to Plaintiff under the copyright and trademark laws of the United States;

b. Defendants started Thomas Wylde, LLC to remove Plaintiff from business operations, so Defendants could embezzle money from Thomas Wylde, LLC and provide Defendants Hillshore Investment, S.A., Choi and Gonzalez with a business to launder money;

c. Defendants Hillshore Investment, S.A., Choi and Gonzalez were going to invest a lot more money than $2,000,000.00 (up to $9,200,000.00) and were going to take Plaintiff's 64 Units of Membership by diluting her ownership interest from 32% to 1.8%;

d. Accepting as much as $9,200,000.00 from Hillshore Investment, S.A., Choi and Gonzalez as an "investment"'

e. As part of their plan, Defendants were going to engage in a campaign of harassment and discrimination to force Plaintiff to leave the business;

f. Defendants did not have any intention of complying with the Employment Agreement including but not limited to (i) giving Plaintiff a severance package that included $300,000.00 per year for three years, and bonus, (ii) termination only upon Cause that was specifically identified, and (iii) written notice of termination with 30 days to cure;

g. Not honor the terms and condition of the Purchase Agreement;

h. Defendants intended to use Plaintiff's copyright and trademark –protected symbols, logos, prints, names, and words to sell garments and accessories that Plaintiff did not design;

i. Take money out of the company for their own personal gain;

j. Allow the company to be used as a business to launder money for Hillshore Investment, S.A., Choi and Gonzalez;

k. Conceal the fact that Hillshore Investment, S.A., Choi and Gonzalez started to make "investments" in August 2014, with the initial injection of $600,000.00, in Thomas Wylde, LLC;

l. Thomas Wylde, LLC was created to be used as a conduit for the sale of garments and accessories not designed by Plaintiff and to launder money/commit tax evasion;

m. Terminate Plaintiff on false pretenses;

n. Sell off garments and accessories that Plaintiff designed at extraordinarily discounted prices that diminish and devalue Plaintiff's brand *Thomas Wylde* and Plaintiff's original designs and shapes.

C. Defendants Intended to Conceal Material Facts from Plaintiff

85. The very short period of time between Hillshore Investment, S.A., Choi and Gonzalez' investments into Defendant Thomas Wylde, LLC starting in August 2014 (approximately $600,000.00) and the time of Plaintiff's termination

on April 20, 2015 (eight months) shows an "intent" to defraud by concealment. The many actions, events, and transactions that occurred in this short period of time are also indicative of an intent to commit fraud by concealment:

a. Hillshore Investment, S.A., Choi and Gonzalez negotiated with the other Defendants for an "investment" in August 2014;

b. Defendants Schnider and Hanna dissolved Thomas Wylde Holding, Inc. for no apparent legitimate reason in January 27, 2015, only after having paid off the loan from CBC Partners I, LLC on January 7, 2015, thinking Plaintiff's intellectual property rights would transfer to Thomas Wylde, LLC, instead of to Plaintiff.

c. Defendants Schnider and Hanna establish Thomas Wylde, LLC in July 2014 to engage in fraudulent activities;

d. Defendants Schnider and Hanna finally inform Plaintiff that they created Defendant Thomas Wylde, LLC, but reasons are not understandable, in October 2014;

e. While Plaintiff is ill, Defendants Schnider and Hanna discuss with Plaintiff that Hillshore Investment, Inc. is "investing" $2,000,000.00 in Defendant Thomas Wylde, LLC in November 2014;

f. Defendants Schnider and Hanna hastily put together a series of docuemnts, including Purchase Agreement and Employment Agreement, and an

Amended Operating Agreement for Thomas Wylde, LLC, that contain terms and conditions with which the Defendants do not intend comply;

g. Defendants demand that Plaintiff sign the agreements before the end of 2014;

h. Defendants engage in a hostile campaign of harassment and discrimination from January 2015 to April 2015 in an attempt to compel Plaintiff's voluntary resignation;

i. By April 15, 2015, five days before Plaintiff was wrongfully terminated without cause, Defendants Hillshore Investment, S.A., Choi and Gonzalez wire transferred $3,200,000.00 million into bank accounts in the name of Thomas Wylde, LLC;

j. Defendants terminate Plaintiff on April 20, 2015;

k. Defendants dilute Plaintiff's ownership interest in Thomas Wylde, LLC from 32% to 1.8%, while Hillshore Investment, S.A., Choi and Gonzalez "invest" an additional $4 million into Defendant Thomas Wylde, LLC.

D. Defendants Had Actual Knowledge that Plaintiff did not know about the Concealment of Material Facts

86. As in any conspiracy and "criminal enterprise", Defendants created a plan and took steps to achieve the desired goal in "silence." In this case, Defendants did not disclose, as obligated, any of the materials facts that they

concealed. Defendants did not share with Plaintiff any writings, e-mails, communications and details of meetings between all Defendants. Only the Defendants had personal knowledge of the details of the conspiracy and "criminal enterprise", concealing all material facts from Plaintiff of their plan to commit the frauds.

E. Plaintiff Did Not Know and Could Not Have Known of the Material Facts that Defendants Concealed

87. There was no reason for Plaintiff to believe that Defendants were conspiring to conceal material facts to steal her own company and to sell copies of her designs that were grossly inferior with symbols, names, words and prints belonging to her and which were protected by the copyright and trademark laws of the United States. Plaintiff trusted Defendants were people who had Thomas Wylde's and Plaintiff's best interest at heart, that they were operating her business legally and in good faith, allowing her to focus on the creative aspect of the business, the creation of designs and shapes. Defendants never made any statements revealing the concealed material facts; Defendants never exposed or revealed to Plaintiff any writings of statements revealing the concealed material facts. Defendants never engaged in any behavior in front of Plaintiff that would raise suspicion of concealment of material facts.

F. Plaintiff Reasonably Relied on Defendants Verbal and Written Communications that were Fraudulent

88. Plaintiff is not a business person. Plaintiff lacks experience as a business person. She has never negotiated a Purchase Agreement or an Employment Agreement. She does not understand the differences between a corporation, limited liability corporation or company, and partnerships. She does not know when it is wise to dissolve a corporation and open another corporation. Defendant Schnider was the in-house attorney for Defendant Thomas Wylde, LLC and Hanna was the CFO. They have much more business experience than Plaintiff – who has very little, if any. There was not any legitimate reason to doubt Defendants' statements and advise. Defendant Schnider even referred Plaintiff to the attorney, who also negotiated the terms and conditions of the Employment Agreement that was an essential part of the Purchase Agreement.

G. Plaintiff Sustained and continues to sustain Harm and Damages

81. Defendants caused and continue to cause Plaintiff irreparable harm: personal, medical, professional, as well as financial and past/future economic harm. Defendants have stolen Plaintiff's professional identity, her legacy, and her trademark and copyright-protected property. Defendants' fraudulent conduct was a substantial factor in causing and continuing to cause Plaintiff's harm and damages.

XIV.

FIFTH CAUSE OF ACTION

RACKETEERING INFLUENCE CORRUPTION ORGANIZATION ACT ("RICO") AGAINST ALL DEFENDANTS

(Plaintiff refers to and incorporate the allegations set forth in paragraphs 1 through 81)

82. Defendants' fraudulent schemes were and are part of a "***criminal enterprise***" that involved hundreds of "***racketeering activities***" as part of a "***pattern of racketeering***" involving commerce across both interstate and international lines from Los Angeles to Panama/Spain and Europe, Asia and back to the United States. The racketeering activities include: mail fraud in violation of *18 U.S.C. §1341*; wire fraud in violation of *18 U.S.C. §1343*; criminal infringement of copyright in violation of *17 U.S.C. §506;* engaging in monetary transaction in property derived from specified unlawful activities in violation of *18 U.S.C. §1957*; interstate transportation of stolen property in violation of *18 U.S.C. §§2314* and *2315*; and trafficking in goods bearing counterfeit marks in violation of *18 U.S.C. §2320.*

83. A criminal enterprise was formed in July 2014 for the specific purpose of removing Plaintiff from any connection to any business involved in the design and sale of apparel and accessories, including, without limitation all clothing,

footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, under the *Thomas Wylde* brand. This criminal enterprise was set in motion so Defendants Schnider, Hanna and Park could make/embezzle more money from Thomas Wylde, LLC. Furthermore, this criminal enterprise was started to help Defendants Hillshore Investment, S.A., Choi and Gonzalez launder money through Thomas Wylde, LLC, and to take total control over Thomas Wylde, LLC as an "investment."

84. All the Defendants involved in the criminal enterprise received income derived directly and indirectly from the pattern of racketeering activities that affected interstate and foreign commerce in violation of *18 U.S.C. §1962*. Defendants Hillshore Investment, S.A., Choi and Gonzalez wire transferred up to $9.2 million from Spain/Panama to the United States to steal and fraudulently take control over Thomas Wylde, LLC and to market/sell garments and accessories that are grossly inferior to the garments and accessories that Plaintiff designed, and to infringe on Plaintiff's trademarks and copyrights. Defendants had communications and discussions over telephone line, cell phones and e-mail communications regarding the details of this fraud. This fraud put Defendants Schnider, Hanna, Park, Kuo and Lee in a position of taking over the Thomas Wylde, LLC fashion business, allowing them to design and manufacture clothing that was grossly inferior to Plaintiff's original designs, which grossly inferior garments and

accessories Defendants represented as Plaintiff's design by using her protected signature symbols, words, names and print, as well as to sell these substantially inferior products to consumers and the public through the internet, fashion shows domestically and abroad in return for money paid via credit card transactions directly to banks in the United States through electronic means or via wire transfers.

85. Pursuant to *18 U.S.C. §1964(c)* Plaintiff has the right to file a law suit against Defendants and have any monies and revenue received by Defendants disgorged, as well as to recover treble the damages Plaintiff sustained and the cost of the law suit, including reasonable attorney fees and cost of the litigation. Under *18 U.S.C. §1964(a)*, the United States District Court can order:

> "any person to divest himself of any interest, direct or indirect, in any enterprise; imposing reasonable restrictions on the future activities or investments of any person, including, but not limited to, prohibiting any person from engaging in the same type of endeavor as the enterprise engaged in, the activities of which affect interstate or foreign commerce; or ordering dissolution or reorganization of any enterprise, making due provision for the rights of innocent persons."

86. The criminal activities related to the *RICO Act* violations involve layers of fraud, intentional misrepresentation and fraud by concealment in addition

to copyright and trade mark infringement. First, there was the (a) fraudulent creation of Thomas Wylde, LLC, (b) the fraudulent taking of Plaintiff's ownership interests in that corporation through the Purchase Agreement, Employment Agreements, injection of $9.2 million by Hillshore Investment, S.A., Choi and Gonzalez without disclosure to Plaintiff, (c) the dilution of her 32% ownership interest to 1.8% by September 2015 and (d) the unlawful removal of Plaintiff from Thomas Wylde, LLC. Second, there was the fraudulent selling of garments and accessories Plaintiff actually designed for extraordinarily low prices and the design/manufacture of garments and accessories that Thomas Wylde, LLC sold that were grossly inferior and included Plaintiff's intellectual property, her marks, logos, designs and prints that are protected by the copyright laws and trademark laws of the United States, rights they misappropriated, used and continue to use to make these inferior garments look like clothes Plaintiff designed, causing confusion in the market place.

A. Mail Fraud

85. Plaintiff refers to and incorporates herein the claims for fraud and fraud by concealment as one of the basis for supporting Plaintiff's claim that Defendant violated *18 U.S.C §1341*. Defendants used the United States postal service to send counterfeited garments and accessories that Plaintiff did not design as though the garments and accessories were ones personally designed by Plaintiff. Defendants

used the United States postal service to send these counterfeited garments and accessories throughout the United States and internationally. Defendants also transported these inferior garments to shows in other states and internationally to promote the sale of the garments. Defendants created these inferior garments as a result of Defendants removing Plaintiff from Thomas Wylde, LLC, and moving all production and distribution operations to Korea. The use of the United States postal service to send counterfeited garments to buyers was an essential part of the fraud perpetrated by Defendants to receive revenue and income through commerce and to put out a front for a business laundering money.

B. Wire Fraud

86. Plaintiff refers to and incorporates herein the claims for fraud and fraud by concealment as one of the basis supporting Plaintiff's claim that Defendants violated *18 U.S.C §1343*. As an essential part of the frauds, Defendants used wire transfers, electronic transmissions, and internet services in interstate and foreign commerce to: (a) transmit an aggregate of $9,200,000.00 from Panama/Spain to the United States between August 2014 and August 2015; (b) receive revenue and income from the sales of inferior garments and accessories with the name, words, symbols, logos and prints created by and that belong exclusively to Plaintiff under the copyright and trademark laws of the United States through the use of credit cards and debit cards in banks located in the United

States; (c) communications regarding purchase orders, invoices, statements, bills and receipts for the sale of inferior garments and accessories were sent through the internet, wire transfer or electronically; (d) advertisements, marketing efforts, commercials, and web-site materials were transmitted through electronic means; and sales of Plaintiff's designs for substantially discounted (fire sale) rates that diminish the value and good will of Plaintiff's work and reputation and the brand name of *Thomas Wylde*.

C. Criminal Infringement of a Copyright

87. As stated under the claim for infringement of copyrights, Defendants violated *17 U.S.C. §506*. Such a violation is also a violation of "Criminal infringement of a copyright" under *18 U.S.C. §2319(a)*. Defendants engaged in a willful and intentional infringement of Plaintiff's copy rights starting in July 2014 that continues to this day. Plaintiff specifically refers to all the factual allegations set forth in the First Cause of Action for Copyright Infringement herein.

88. Plaintiff requests that the United States District Court issue an Order that the garments and accessories containing counterfeit copyrights be forfeited, destroyed, and Defendants pay Plaintiff restitution of all moneys generated in violation of this act.

D. Trafficking in Counterfeit Goods

89. Defendants have since July 2014 trafficked in goods (apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags) containing counterfeit trademarks, both common law and those that Plaintiff registered with the United States Patent and Trademark Office in violation of *18 U.S.C §2320(a)(1)*. The garments that Defendants design and manufacture for domestic and international commerce contain Plaintiff's prints and marks, e.g., the skull, as well as names/words that have been registered with the United States Patent and Trademark Office that are identical to and substantially indistinguishable from the marks, e.g., skulls, and names/words registered for the specific purpose of confusing, deceiving and causing the public to be confused. Plaintiff hereby refers to and incorporates the factual allegations in the Second Claim for Trademark Infringement herein.

90. Plaintiff requests that the United States District Court issue an Order that the garments and accessories containing counterfeit marks, symbols, words/names, whether registered or in common law be forfeited, destroyed and that Defendants pay Plaintiff restitution of all moneys generated in violation of this act.

E. Transportation of Stolen Goods and Articles of Counterfeiting

91. Defendants have violated *18 U.S.C. §2314*. There was an enormous inventory of clothes and apparels that Plaintiff designed and which contain her signature markings protected under Plaintiff's name. Without permission and authorization from Plaintif, Defendants stole and converted these garments and accessories, selling them in interstate and international transactions at "fire sale" prices. The Defendants' sale of garments Plaintiff designed, and the sale of clothes that Defendant Thomas Wylde, LLC designed that violated Plaintiff's copyrights and trademarks far exceeds the value of $5,000.00. These sales were made in commerce throughout the United States and internationally. Defendants obtained and designed these clothes through fraud and conversion. Plaintiff's garments belong to her and PDTW, LLC – not Thomas Wylde, LLC. Furthermore, Thomas Wylde, LLC was born through fraud when Defendants instructed Plaintiff to (a) sign the Purchase Agreement and (b) execute the Employment Agreement, among other documents. This fraud also includes not giving Plaintiff any Units of Membership when they first organized Thomas Wylde, LLC in July 2014 and informing Plaintiff she could buy 64 Units of Membership without informing Plaintiff the Units would eventually be diluted, depriving her from any control or from having any effect in the governance of Thomas Wylde, LLC, after Hillshore Investment, S.A. had invested the aggregate sum of $9,200,000.00 in Thomas

Wylde, LLC. Plaintiff refers to and incorporates the factual contentions in the Third and Fourth Causes of action herein as fully set forth herein. Defendants need to get the stolen and converted goods to fashion shows, both domestically and internationally, to promote Thomas Wylde, LLC and to generate revenue. They had actual knowledge that the goods are stolen, converted and a product of fraud when sold under the name of Thomas Wylde, LLC.

92. Without adequate preparation for a fashion show in New York in February 2015, Defendants forced Plaintiff to prepare and conduct the show to display the Plaintiff's designs and shapes. Plaintiff travelled to New York with garments and accessories valued at far more than $5,000.00 to display at the fashion show. This scheme was created to deceive the public that Plaintiff was behind the designs that Defendants knew they would be putting into the market in the future, garments and accessories that would be substantially inferior products, and which would result in Plaintiff losing much more than $5,000.00. Defendants used Plaintiff to travel to New York to promote products that they planned to sell for their own personal gain.

F. Laundering of Monetary Instruments

93. In violation of *18 U.S.C. §1956(a)(1),* all or part of the $9,200,000.00 Defendants Hillshore Investment, S.A., Choi and Gonzalez wire transferred was derived from illegal gambling and/or tax evasion with the intent to carry out

specific unlawful activities enumerated in the Original Complaint and knowing the transactions were designed to conceal the location, nature, source, ownership control of the money. The largest investment that Plaintiff sought and receive was for $1,625,000.00. A $9,200,000.00 (nearly 5 times $1.6) investment over one year, though nice, was unnecessary and was simply intended to dilute the ownership units giving one investing group the supra-majority ownership interest and control. Under Plaintiff's watch and guidance, there were no plans to grow the operations so quickly so as to justify a $9,200,000.00 investment so quickly, and there were no plans to build/buy a manufacturing plant to make the clothes Plaintiff designed. Defendants Hillshore Investment, S.A., Choi and Gonzalez did not have any experience in owning and operating any type of clothing design company, and they did not know the ins-and-outs of the Fashion Industry. They were not in any position to evaluate the value of the company without Plaintiff's involvement in designing the garments. There was no reason for Defendants Hillshore Investment, S.A., Choi and Gonzalez to evaluate the operations of the business and evaluate the possible revenues, especially when Defendants Hillshore Investment, S.A., Choi and Gonzalez conspired with the other Defendants to remove the only real designer and holder of all symbols, names, words and prints, the one individual that truly drove the sales of Plaintiff's designs and shapes. People who invest $9,200,000.00 do so only after conducting a very detailed and careful due diligence investigation, and only to get a substantial return. The best Plaintiff had, up until then, done in terms of revenue was $9,500,000.00 by its third season. However, Plaintiff is a successful and experienced designer of fashion, and aspect of *Thomas Wylde* that propelled the brand to generate those revenues. Defendants Hillshore Investment, S.A., Choi and Gonzalez were "investing" in a company that "designed" clothes without a designer.

94. The $9,200,000.00 million investment in Thomas Wylde, LLC was dirty money from illegal gambling, tax evasion and derived from other crimes, so it needed to be cleaned ("laundered"). The cleaned money would be returned to Defendants Hillshore Investment, S.A., Choi and Gonzalez from alleged revenues realized by Thomas Wylde, LLC, and the other Defendants received a handsome reward above and beyond any salary/bonus. The cleaned money was then wire transferred to banks off-shore without a trace of its origins.

95. Additionally, Defendants Thomas Wylde, Inc., Schnider, Hanna, Park, Lee and Kou violated *19 U.S.C. 156 (a)(2)* by participating in the "cleaning" process and wire transferring the "clean" money to foreign banks. As members of the original conspiracy they knew that their job was to clean and wire transfer the funds. Defendants had the intent to clean the dirty money and conceal its location, source, ownership and control.

F. Transmission of Monetary Transactions Derived from Specified Unlawful Activities

96. Defendants violated *18 U.S.C. §1957(a) and 18 U.S.C. §1957(d).* When Defendants engage in the transfer of $9,200,000.00 from Defendants Hillshore Investment, S.A., Choi and Gonzalez to the other Defendants some or all of that money derived from specific unlawful activities. In return, Defendants Thomas Wylde, LLC, Schnider, Hanna, Park, Lee and Kou transferred ownership of assets and the attempted transfer of Plaintiff's copyrights and trademarks to Hillshore Investment, S.A., Choi and Gonzalez. All Defendants had the specific intent to commit the criminal acts specific in this claim under *18 U.S.C. §1961* addressed in this Original Complaint. Defendants conspired to commit tax evasion under the laws of the State of California and United States through these specific unlawful activities. The transactions were designed to conceal and disguise "the nature, the location, the source, the ownership, or the control of the proceeds of" the specific unlawful conduct outlined in *18 U.S.C §1961* as set forth in this Original Complaint.

97. There are two sides to the transmissions of monetary funds through specific unlawful activities. The first involved the transmission of $9,200,000.00 that included all or part of funds obtained through tax evasion and/or illegal gambling. The second involved the transmission of funds and ownership equity in

Thomas Wylde, LLC that were derived from specific unlawful activities set forth in this complaint that included wire fraud, mail fraud, trafficking in counterfeit goods, trafficking in stolen property and criminal infringement of copyrights. The transmission of these money went from the United States to foreign banks. The Defendants had the specific intent to commit these unlawful activities. Defendants actually knew that the transmission of funds represented some form of unlawful activity and the transmissions were designed to conceal the location and ownership of the funds.

98. First, Defendant Choi is a United States citizen. Second, the $9,200,000.00 that Defendant Hillshore Investment, S.A. wire transferred to Defendant Thomas Wylde, LLC, is derived from specific criminal activities, i.e. illegal gambling, tax invasion, wire fraud, mail fraud, trafficking in counterfeit goods through interstate commerce, criminal copyright infringement, trafficking in stolen goods. The criminal offenses took place outside the United States. The Defendants sales of inferior garments was the result of money derived from both the United States and outside the United States. Defendants' fraud on Plaintiff resulted in Defendants Hillshore Investments, S.A., Choi and Gonzalez took place only because these Defendants wire transferred $9,200,000.00 that enabled the other Defendants to remove Plaintiff. Defendants then sold counterfeit garments

and accessories to the public; those inferior garments and accessories were obtained through fraud, false pretense, and intentional misrepresentation.

XIV.

SIXTH CAUSE OF ACTION

UNFAIR, ILLEGAL AND FRAUDULENT BUSINESS PRACTICES IN VIOLATION OF *BUSINESS & PROFESSIONS CODE §17200* AGAINST ALL DEFENDANTS

(Plaintiff refers to and incorporate the allegations set forth in paragraphs 1 through 98)

99. All Defendants have engaged in conduct, behavior and made statements and agreements as discussed ***supra*** resulting in the violation of *17 U.S.C. §§ 106(A), 17 U.S.C. §§ 201(a), 201(d), 204(a), 205, 501, 502, 503, 504, 506*; *15 U.S.C. §§ 1127, 1051, 1072, 1121, 1114, 1125, 1125(c), 116(a), 1117(a) and 1125(c)*; *18 U.S.C. §§ 1961, 1962, 1963*; *Penal Code §§182, 484, 500, 501, 502, and 503.*

100. Plaintiff requests restitution of all moneys taken from Thomas Wylde, LLC, PDTW, LLC, all moneys invested by Hillshore Investment, S.A., Choi and Gonzalez, $1,000,000.00 salary that Thomas Wylde, LLC owes Plaintiff for the nearly three years since the frauds were committed and bonuses.

100. Plaintiff requests an Injunction:

a. Defendants are prohibited from selling apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law;

b. Defendants are prohibited from designing any apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law;

c. Defendants are prohibited from creating, developing and advertising on print, commercials, photographs, and web-sites/internet any apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law;

d. Defendants are prohibited from designing, manufacturing, distributing, selling at retail, fashion shows and wholesale stores of any apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law;

e. Defendants are Ordered to search for, collect, gather, assemble and store in one location that is convenient for Plaintiff to conduct an inspection of all apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, as well as advertisements, publications, marketing material, and any/all physical and electronic items ("ESI") that depict in any way the trademark and copyright protected items, whether registered or in common law.

f. The storage facility must have sufficient space, light, room, and ventilation to protect the materials and to allow for the inspection within 30 days by Plaintiff, Plaintiff's counsel and agents/employees/experts/assistants have completed the inspection, that shall continue from day-to-day starting at 9:00 a.m. and ending at 6:00 p.m. everyday, until completed;

g. All apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, as well as advertisements, publications, marketing material, and any/all physical and electronic items ("ESI") that depict in any way the trademark protected items must be properly organized for the inspection by categories of items;

h. Defendants shall produce for Plaintiff's inspection within 30 days all contracts that Defendants signed from December 2014 to the present time related to (a) documents and ESI related to any and all moneys injected into

Thomas Wylde, LLC, (b) documents and ESI related to all expenditures, (c) the manufacturing process of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, (d) the distribution of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, (e) the sale (retail and wholesale) of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, (f) contracts between any and all the Defendants, as well as between any Defendant and third party entity or individual, and (g) electronically stored information ("ESI") in the computer systems and web-site for Thomas Wylde, LLC that includes Plaintiff's trademark and copyrights, both registered and in common law;

i. Thomas Wylde, LLC and all Defendants must make available for Plaintiff's and Plaintiff counsel's inspection within 30 days of all Profits and Losses Statements, balance sheets, QuickBooks data, tax returns for both state and federal for all Defendants, accounting, receivables, all documents regarding the sales of all apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, as well as all expenditures, inventory of all apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, patterns, molds, books and records, minutes of any meetings of officers, directors, managing agents, bank statements and wire transfers of money, owner withdraws, employee benefits and wages/earnings, all salaries, and distribution of anything of value to any persons having any ownership interests in Thomas Wylde, LLC. All financial documents produced in compliance with this demand shall cover the span from the organization of Thomas Wylde, LLC in June 22, 2014 through the present;

j. Defendants must comply within 30 days from the date the order is issued and provide declarations of individuals (not attorneys) with personal knowledge regarding all steps taken to comply with the Order;

k. Defendant must immediately (within 5 calendar days) return all apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, as well as all patterns and molds that Defendants have in their custody, control and/or possession having copyright and trademark protections, both registered and in commonlaw;

l. Defendants must stop doing business as "Thomas Wylde, LLC" and cannot open a new business that infringes on Plaintiff's copyrights and trademarks, both registered and in common law;

m. Defendants must deposit in an escrow account controled by a neutral, third party all assets obtained by Thomas Wylde, LLC and in the possession of Park, Hanna and/or Hanna's girlfriend (Tasha Hess), Choi, Gonzalez, Lee, Kuo, Schnider, their respective spouses, or any other individual wrongfully associated with any of the defendants;

n. Recovery of any and all Thomas Wylde, LLC's designs/apparel that has been gifted and/or loaned to any celebrities and/or PR, press/media, people;

o. Bringing back all Thomas Wylde, LLC inventory and assets, including production samples; patterns; molds; etc. from wherever they may be domestically and abroad, e.g. Korea; Paris; Milan; China; Russia; etc.; and

p. Take down all e-commerce; removing inventory from all brick-and-mortar stores, both domestically and abroad, that carry Thomas Wylde, LLC assets/inventory.

XV.

PRAYER FOR PUNITIVE DAMAGES

(Plaintiff refers to and incorporate the allegations set forth in paragraphs 1 through 100)

101. All Defendants violated *California Civil Code §3294* by engaging in fraudulent, oppressive and malicious actions as discuss ***supra***. There are more than sufficient allegations set forth in causes of action one through five to support a finding of "fraud" and despicable conduct. Two of those claims are for fraud; two of the other claims are for copyright and trademark infringement through fraudulent means. The *RICO Act* claims are predicated on criminal and fraudulent conduct violating the criminal laws of the United States.

102. Defendants' conduct was malicious and despicable conduct that Defendants carried out with the willful and conscious disregard of Plaintiff's rights. Defendants Schnider, Hanna, and Park all knew Plaintiff and worked with Plaintiff. They knew Plaintiff loved designing and selling her clothes more than life itself. They knew Plaintiff trusted them to run the business side of the operations, so she could focus on designing clothes and her health. Defendants acted in a way to deny Plaintiff her ownership rights protected by copyright and trademark laws, and to remove her from her own company by simply changing the name of the business and issuing Units of Membership to everyone except

Plaintiff, then the diluting her ownership interest, interest they eventually gave her as part of their fraud in the inducement to have her cooperation in the execution of various document, including the Employment Agreement and the Purchase Agreement.

103. Defendants' conduct was oppressive because it was despicable and subjected Plaintiff to cruel and unjust hardship in conscious disregard to Plaintiff's rights and well being. Not only did the Defendants unlawfully remove Plaintiff from her own company, and denied her employment/severance benefits in an amount in excess of $1,000,000.00, but Defendants also fought Plaintiff on her efforts to collect unemployment. In fact, Defendants illegally took control and ownership of her company and brand name, while also denying herdenied the ability and means to support herself. Defendants violated her rights under the copyright and trademark laws to diminish the brand name of *Thomas Wylde* and to sell garments and accessories they designed and that were grossly inferior to the designs and quality of fashion for which Plaintiff was known in the Fashion Industry.

XV.

REMEMDIES AND PRAYERS

(Plaintiff refers to and incorporate the allegations set forth in paragraphs 1 through 103)

104. Plaintiff requests the following remedies and prayers for relief:

a. Plaintiff requests a Temporary Restraining Order, Preliminary and Permanent Injunction:

b. Defendants are prohibited from selling any apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law;

c. Defendants are prohibited from designing any apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law;

d. Defendants are prohibited from creating, developing and advertising on print, commercials, photographs, and web-sites/internet any apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law;

e. Defendants are prohibited from designing, manufacturing, distributing, selling at retail, fashion shows and wholesale brick-and-mortar stores of any apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law;

f. Defendants are Ordered to search for, collect, gather, assemble and store in one location that is convenient for Plaintiff to conduct an inspection of all apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, as well as advertisements, publications, marketing material, and any/all physical and electronic items ("ESI") that depict in any way the trademark and copyright protected items.

g. The storage facility must have sufficient space, light, room, and ventilation to protect the materials and to allow for the inspection within 30 days by Plaintiff, Plaintiff's counsel and agents/employees/experts/assistants an inspection that shall continue from day-to-day starting at 9:00 a.m. and ending at 6:00 p.m. everyday until completed;

h. All apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, as well as advertisements, publications, marketing material, and any/all physical and electronic items ("ESI") that depict in any way the trademark protected items must be properly organized for the inspection by categories of items;

i. Defendants shall produce for Plaintiff's inspection within 30 days all contracts that Defendants signed from July 2014 to the present time related to (a) documents and ESI related to any and all moneys injected into Thomas Wylde, LLC, (b) documents and ESI related to all expenditures, (c) the manufacturing process of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, (d) the distribution of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, (e) the sale (retail and wholesale) of apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, (f) contracts by and between any and all the Defendants, as well as between any Defendant and third party, and (g) electronically stored information ("ESI") in the computer systems and web-site for Thomas Wylde, LLC that includes Plaintiff's trademark and copyrights;

j. Thomas Wylde, LLC and all Defendants must make available for Plaintiff's and Plaintiff counsel's inspection within 30 days of all Profits and Losses Statements, balance sheets, QuickBooks data, tax returns for both state and federal for all Defendants, accounting, receivables, all documents regarding the sales of all apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, as well as all expenditures, inventory of all apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, patterns, molds, books and records, minutes of any meetings of officers, directors, managing agents, bank statements and wire transfers of money, owner withdraws, employee benefits and wages/earnings, all salaries, and distribution of anything of value to any persons having any ownership interests in Thomas Wylde, LLC. All financial documents produced in compliance with this demand shall cover the span from the organization of Thomas Wylde, LLC in June 22, 2014 through the present;

k. Defendants must comply within 30 days from the date the order is issued and provide declarations of individuals (not attorneys) with personal knowledge regarding all steps taken to comply with the Order;

l. Defendant must immediately (within 5 calendar days) return all all apparel and accessories, including, without limitation all clothing, footwear, headwear, jewelry, scarves, and handbags containing Plaintiff's trademarks and copyrights, both registered and in common law, patterns, molds that Defendants have in their custody, control and/or possession having copyright and trademark protections;

m. Defendants must stop doing business as "Thomas Wylde, LLC" and cannot open a new business that infringes on Plaintiff's copyrights and trademarks;

n. Defendants must deposit in an escrow account controled by a neutral, third party all assets obtained by Thomas Wylde, LLC and in the possession of Park, Hanna and/or Hanna's girlfriend (Tasha Hess), Choi, Gonzalez, Lee, Kuo, Schnider, their respective spouses, or any other individual wrongfully associated with any of the defendants;

o. Recovery of any and all Thomas Wylde, LLC's designs/apparel that has been gifted and/or loaned to any celebrities and/or PR, press/media, people;

p. Bringing back all Thomas Wylde, LLC inventory and assets, including production samples; patterns; molds; etc. from wherever they may be domestically and abroad, e.g. Korea; Paris; Milan; China; Russia; etc.; and

q. Take down all e-commerce; removing inventory from all brick-and-mortar stores, both domestically and abroad, that carry TW assets/inventory.

i. Actual damages for copyright and trademark right infringements;

ii. Statutory damages for copyright and trademark right infringements;

iii. Compensatory Damages for fraud;

iv. Unjust Enrichment;

v. Attorney Fees;

vi. Litigation costs, expenses and fees;

vii. Punitive Damages;

viii. Treble Damages under *RICO Act*; and

ix. Any other relief the Court deems appropriate

June 4, 2017

Respectfully submitted,

By: /S/ Dimitrios P. Biller
Counsel for Plaintiff

PLAINTIFF DEMANDS A TRIAL BY JURY

EXHIBIT "1"

AGREEMENT TO PURCHASE MEMBERSHIP INTEREST

This Agreement to Purchase Membership Interest (the "Agreement") is entered into by and between Thomas Wylde, LLC, a California limited liability company ("Seller"), and Paula Thomas, an individual ("Purchaser"), effective December 22, 2014 (the "Effective Date").

RECITALS

A. Seller is a California limited liability company, formed on July 22, 2014, pursuant to Articles of Organization of a Limited Liability Company filed with the California Secretary of State. Seller operates pursuant to an Operating Agreement entered into on or about July 22, 2014 (the "Operating Agreement"). Other than as set forth herein, all Units Membership Interest in Seller are owned by John Hanna, Jene Park, Roger Kuo, and Doug Lee (the "Members").

B. Purchaser seeks to invest $3,200 and certain assets and liabilities into Seller in exchange for 64 membership Units in the Seller.

C. Seller and its Members desire to accept Purchaser's investment in the company and to issue new membership Units in exchange.

D. Seller's Manager and Members have unanimously approved the sale of such new membership Units to Purchaser.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Sale of the Interest. Upon the execution of this Agreement, subject to the terms and conditions herein set forth, and on the basis of the representations, warranties, and agreements herein, Seller shall sell to Purchaser, and Purchaser shall purchase from Seller, a 64 Units of Membership Interest in the Seller. All undefined capitalized terms herein shall have the meaning ascribed by the Operating Agreement.

2. Instruments of Conveyance. Upon execution hereof, this Agreement shall evidence conveyance and transfer of the Membership Interest, which shall be effective to immediately vest in Purchaser all right, title, and interest in and to all of the securities underlying the Membership Interest pursuant to this Agreement, free and clear of all liens, claims, encumbrances, and adverse interests. Such conveyance shall entitle Purchaser to all the rights of a Member under the Operating Agreement, including, without limitation, all Transferable Interests as well as any Voting Interest provided by the Operating Agreement. Seller may, at its discretion, deliver a certificate or certificates representing the Units to Purchaser, in form and substance customary in the industry. Within five (5) business days of the Effective Date, Seller shall record this Agreement in the Seller's minute book and shall amend Exhibit A to the Operating Agreement and any company membership listing to reflect the change in ownership interests.

3. Consideration. In consideration for the Membership Interest, Purchaser shall make a capital

contribution to Seller in the amount of Three Thousand Two Dollars ($3,200) and shall transfer to Seller those assets and liabilities set forth on Exhibit "A" hereto.

4. Purchaser Representations and Warranties. Purchaser represents and warrants to Seller as follows:

a. This Agreement and any other document, instrument, or agreement to be executed and delivered by Purchaser in connection herewith has been duly executed and delivered by the Purchaser and constitutes the legal, valid, and binding obligation of the Purchaser, enforceable in accordance with its terms.

b. Purchaser is acquiring the Membership Interest for her own account, for investment purposes, and not with a view to the distribution thereof.

c. Purchaser has firsthand knowledge of the business and affairs of Seller, has reviewed the Operating Agreement, and agrees to be bound by all of the terms and conditions of the Operating Agreement.

5. Seller Representations and Warranties. Seller represents and warrants to Purchaser as follows:

a. Seller has not taken any action, or entered into any agreements, in any way affecting or binding Seller, its Manager, or Members and has full right, power, and authority to sell, transfer, and deliver the Membership Interest pursuant to this Agreement.

b. Seller shall transfer title in and to the Membership Interest to the Purchaser free and clear of all liens, security interests, pledges, encumbrances, charges, restrictions, demands and claims, of any kind and nature whatsoever.

c. Seller has received fair equivalent value under the terms of this Agreement.

d. Seller has the legal capacity to execute and deliver this Agreement and to effect the sale with respect to the Membership Interest.

e. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of Seller's obligations hereunder will not conflict with or result in any violation of or default under any provision of any agreement or instrument by which the Seller is bound.

f. Except for any consent or approval that has been obtained and remains in full force and effect as of the date hereof, no consent, approval or authorization of, or declaration, notice, filing or registration with, any governmental or regulatory authority, or any other person, is required to be made or obtained by the Seller on or prior to the date hereof in connection with the execution, delivery, and performance of this Agreement or the consummation of the transactions contemplated hereby.

g. Subsequent to the purchase contemplated hereby, the fully diluted capitalization of Company is as set forth in Exhibit "B" to the Amended Agreement (defined below).

6. Conditions Precedent. Purchaser's obligations hereunder are conditioned upon:

a. The Company and the Members' execution and delivery of that certain Amended and Restated Operating Agreement of Company in the form attached as Exhibit "B" hereto ("Amended Agreement");

b. The Members' execution and delivery of that certain Clawback Agreement in the form attached as Exhibit "C" hereto;

c. Hillshore Investments funding of a Two Million Dollar ($2,000,000) loan to the Company;

d. The Company's use of the proceeds of such loan in the manner set forth in that certain Use Of Proceeds Agreement in the form attached as Exhibit "D" hereto (a fully executed copy of which must be delivered to Purchaser);

e. The Company and the Members' execution and delivery of that certain Indemnity Agreement in the form attached as Exhibit "E"; and

f. The Company's execution and delivery of an employment agreement for Paula in a form mutually agreed to by the parties.

7. Benefit. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

8. Necessary Actions. Each party agrees to execute and deliver all such other documents or instruments and to take any action as may be reasonably required in order to effectuate the transaction contemplated by this Agreement.

9. Waiver And Amendment. No breach of any provision of this Agreement can be waived unless in writing. Waiver of any one breach shall not be deemed to be a waiver of any other breach of the same or any other provision. This Agreement may only be amended by a written agreement signed by both Parties.

10. Entire Agreement. This Agreement and the exhibits hereto constitute the entire agreement and understanding between the parties and supersedes all prior agreements and understandings, written or oral, between the parties relating to the subject matter hereof.

11. Severability. If any provision of this Agreement is held to be illegal or invalid by a court of competent jurisdiction such provision shall be considered severed and deleted. Neither such provision, nor its severance and deletion, shall affect the validity of the remaining provisions of this Agreement.

12. Governing Law And Venue. The laws of the State of California shall govern this Agreement. Venue for any legal action arising from or relating to this Agreement shall be solely in the state or federal courts located in the County of Los Angeles in the State of California. The prevailing party in any such action shall be entitled to recover its reasonable costs, including attorney's

fees.

13. Drafting. All parties have been represented by independent counsel in this transaction and have participated in the negotiation and preparation of this Agreement, and this Agreement shall not be construed or interpreted against the interests of any party hereto based on that party's preparation of this Agreement

14. Counterparts. This Agreement may be executed in counterparts, and a signed copy shall have the full force and effect of a signature on any original. A copy, PDF, or facsimile copy of the fully executed Agreement shall have the full force and effect of the original executed Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on their behalf by a duly authorized representative.

Thomas Wylde, LLC

John Hanna, Manager

Paula Thomas

Exhibit "A" to Agreement to Purchase Membership Interest

List of Asset Being Transferred from Paula Thomas to Thomas Wylde, LLC

All intellectual property rights and associated goodwill relating to the Thomas Wylde brand and designs, including, without limitation, any copyrights, trademarks, patents, trade secrets, or any other rights therein but specifically excluding Paula Thomas' name, image, likeness, biography and moral rights ("IP"). The IP includes the following:

TRADEMARKS

Mark	**Serial No. / Reg. No.**	**Status**
Henna Skull Design	4,045,284	Registered 10/25/11
Henna Skull Design	85/282,535	Filed 3/31/11
THE WYLDE	86/003,488	Filed 7/6/13
THOMAS WYLDE	3,283,944	Registered 8/21/07
WYLDE BY THOMAS WYLDE	85/020,665	Filed 4/22/10
DOGS GONE WYLDE	77/737,583	Abandoned 1/14/13
THOMAS WYLDE	77/622,486	Abandoned 1/28/13
THOMAS WYLDE	78/778,668	Abandoned 5/15/08
TW FOR THOMAS WYLDE	77/742,386	Abandoned 8/2/10
WYLDE	77/853,330	Abandoned 7/24/10
WYLDE CHILD	78/379,441	Abandoned 3/22/05

COPYRIGHTS

Title	Registration Number	Registration Date
Acid Flower	VA 1-344-484	04/14/2006
Henna Skull	VA 1-813-811	03/30/2011
Skull Flower	VAu 691-713	04/14/2006
Skull Pattern	VA 1-344-483	04/14/2006
Money Print	VA 1-853-563	10/24/2012
Hidden Death Print	VA 1-853-575	10/24/2012
Ballet Bowie Print	VA 1-853-570	10/24/2012
Carpe Diem Print	VA 1-853-579	10/24/2012
Goth Moth	VA 1-853-573	10/24/2012
Madame Butterfly	VA 1-853-576	10/24/2012
Samona Print	VA 1-853-569	10/24/2012
Cyclops	VA 1-907-692	9/11/2013
Louis Skull	VA 1-889-372	11/5/2013
Spinal Tap	VA 1-907-688	9/11/13

List of Liabilities Being Transferred from Paula Thomas to Thomas Wylde, LLC

Secured Promissory Note executed by PDTW, LLC in favor of CBC Partners I, LLC, dated October 15, 2013 in the amount of $1,600,000

Balloon Payment Promissory note executed by PDTW, LLC in favor of Steven John Prestemon, dated March 27, 2011 in the amount of $228,000

Balloon Payment Promissory note executed by PDTW, LLC in favor of Steven John Prestemon, dated January 1, 2013 in the amount of $131,337

Exhibit "B"

Amended And Restated Operating Agreement

Exhibit "C"

Clawback Agreement

Exhibit "D"

Use Of Proceeds Agreement

Exhibit "E"

Indemnity Agreement

EXHIBIT "2"

THOMAS EMPLOYMENT AGREEMENT

This contract is entered into between Thomas Wylde, LLC, a California limited liability company with its principal place of business located at 3231 S. La Cienega Blvd., Los Angeles, CA 90016 ("Company"), and Paula Thomas, an individual residing at 2514 S. Toledo Ave., Palm Springs, CA 92264 ("Employee"), effective January 1, 2015 ("Effective Date").

1. **Employment.** Employee shall serve as the Company's Chief Creative Officer and Creative Director and shall be in charge of the Company's brand image, product and service design, function, look, feel, materials, marketing, advertising, promotion and all such other activities that could affect the goodwill of the Company and/or its products and services, as well as such other title or position as may be mutually agreed by the parties. In addition, Employee shall have the rights and responsibilities relative to her title set forth in the Company's Operating Agreement as in existence as of the date hereof. Employee shall devote all of her working time, attention, knowledge, and skills to Employer's business interests and shall do so in good faith, with best efforts, and to Employer's reasonable satisfaction. During the term of this Agreement, Employee agrees that she will not, without the knowledge and express written consent of the Company's Manager (not unreasonably to be withheld, delayed or conditioned): (i) engage in any form of activity that produces a "conflict of interest" with Employer; or (ii) have any interest in or engagement with any business directly competitive to Employer's. The Company acknowledges and agrees that Employee's activities set forth in Schedule 1 hereto, as it may be amended from time to time, is not a conflict of interest. Employee is expected to comply with Company's policies, procedures and work rules as they now exist or may be modified or adopted by the Company in the future as set forth in any written policy, handbook, or otherwise. These policies include but are not limited to policies against violence in the workplace, discrimination, harassment, and retaliation.

2. **Term of Employment.** This Agreement shall be binding upon full execution and shall be effective as of the Effective Date and shall continue until the earlier of (i) three years from the Effective Date or (ii) termination of the Agreement in accordance with Section 9, below. Unless the Agreement is terminated pursuant to Section 9, below, at the end of the first three-year term, Employee's employment with the Company shall continue on the terms and conditions set forth herein on an "at-will" basis, meaning that either the Company or the employee may terminate the employment relationship at any time, with or without cause, and with or without notice.

3. **Compensation.** For the services to be rendered by Employee during the term of employment, the Company shall pay the Employee a base salary in the amount of $300,000 per year. Employee's wages shall be paid in accordance with the Company's normal payroll practices. All compensation payable to the Employee pursuant hereto shall be subject to the customary income tax withholding and such other Employee deductions as are required by law with respect to compensation paid by a company to an employee. Employee's compensation and employee benefits are subject to increase in accordance with the Company's policies and procedures, as determined from time to time in the reasonable discretion of the Company, upon written notice to Employee. Employee shall contemporaneously receive increases in her base salary in the same amounts as the largest increase to the base salary of any other member of the Company's senior management team.

4. **Bonuses.** In addition to the compensation set forth in Section 3 above, the Company may, in its sole and exclusive discretion, pay Employee bonuses from time to time. Bonus amounts may be fixed, discretionary, performance-related, or based on a target amount. Performance bonuses may be based on the individual performance or the Company performance, or both. Except as set forth in Section 9, Employee must be employed at the time of payment to receive any such bonuses. Notwithstanding anything contained herein, Employee shall receive a bonus that is not less than 10% less than the largest bonus or aggregate bonuses paid to any member of the Company's senior management team, excluding any sales commissions or similar sales based incentives. Such mandatory bonus shall be paid in amounts and type of consideration equivalent to such largest bonus.

5. **Vacation and Holidays.** Employee is entitled to four weeks of vacation in accordance with the Company's standard policies, provided that such vacation shall be taken in commercially reasonable increments and is subject to the notification and approval of the CEO, which approval shall not be unreasonably withheld.

6. **Other Benefits.** Employee shall be eligible for all other benefits generally provided by Company for exempt employees; provided, that, the Company shall provide Employee with all health, dental and vision insurance equivalent to which she had as a PDTW LLC employee. In the event that Company obtains key person insurance on any of the lives of Company's senior management, it shall do so on Employee's life in at least the same amounts.

7. **Expense Reimbursement.** Employee shall be entitled to reimbursement of any or all expenses authorized and reasonably incurred in the performance of the functions and duties under this Agreement. In order to receive reimbursement, Employee must timely provide Employer with an itemized account of all expenditures, along with suitable receipts therefore in accordance with the Company's standard policies. Any expenditure over the dollar amount of $2,000 requires prior written authorization of the Company's Manager

8. **Exempt Status.** Employee is employed as a salaried/exempt employee and, is not entitled to overtime wages. Employee shall not receive overtime compensation for the services performed under this Agreement.

9. **Termination.** The Company shall have the right to terminate Employee's employment under this Agreement at any time for Cause, which termination shall be effective immediately. Termination for "Cause" shall mean the commission of the following acts by Employee that are not reasonably cured within thirty days of Employee's receipt of written notice from Company detailing in specifics the alleged acts or omissions of Employee that Company believes fit the definition of Cause:

(i) material breach of this Agreement;

(ii) intentional nonperformance or mis-performance of her duties, or refusal to abide by or comply with the reasonable directives of her superior officers, or the Corporation's policies and procedures;

(iii) willful dishonesty, fraud, or misconduct with respect to the business or affairs of the Company, that in the reasonable judgment of the Manager or a Supermajority of the Membership Interest materially and adversely affects the Company;

(iv) conviction of, or a plea of nolo contendere to, a felony or other crime involving moral turpitude; or

(v) the commission of any act that is a conflict of interest (as defined above).

Employee shall have the right to terminate her employment under this Agreement by giving the Company at least thirty (30) days written notice. In the event that Employer terminates this Agreement without Cause or Employee terminates this Agreement for Good Reason, the Company shall pay her severance in the amount of her base salary, bonus and reimbursement of COBRA expenses until the later of: (a) December 31, 2017 or (b) one year after her last day of employment. For purposes hereof, "Good Reason" shall mean (1) material diminishment or reduction of Employee's compensation, benefits, expense reimbursement, authority, responsibilities, title or to whom she reports, (2) the hiring or engagement of any person to perform substantially the same services as Employee without Employee's prior written consent (which may be withheld in her sole discretion), (3) the appointment of any officer that is superior in rank to her other than the CEO, (4) relocation of Employee's principal place of providing services by more than twenty miles, or (5) material breach by Company or its members of this Agreement or any other agreement between Company or one or more of its members on the one hand and Employee on the other hand.

The Agreement shall terminate automatically upon Employee's death. Upon termination due to death, Company shall pay to Employee's beneficiaries or estate, as appropriate and upon any proper showing or order required by law, any compensation then due and owing including without limitation a pro-rata portion of any bonuses that may accrue for such fiscal year. Thereafter, all obligations of the Company under this Agreement (including but not limited to salary and any other benefits) shall cease. Nothing in this Section shall affect any entitlement of Employee's heirs to the benefits of any life insurance plan or other applicable benefits.

Employee acknowledges and agrees that her obligations under the Confidentiality and Intellectual Property Agreement set forth in Addendum A survive termination of this Agreement so long as the mandatory bonus set forth in Section 4 and the severance set forth above (as applicable) is actually paid.

10. Non-Solicitation Covenant. Employee agrees that for a period of one year following termination of employment, for any reason whatsoever, Employee will not solicit customers or clients of Employer. By agreeing to this covenant, Employee acknowledges that her contributions to Employer are unique to Employer's success and that she has significant access to Employer's trade secrets and other confidential or proprietary information regarding Employer's customers or clients. A general advertisement, marketing efforts or attendance at trade shows and other industry events that is not targeted to Company's customers or clients shall not be deemed to be solicitation.

11. Non-Recruit Covenant. Employee agrees not to recruit any of Employer's employees for the purpose of any outside business either during the term or for a period of one year following termination of employment. Employee agrees that such effort at recruitment also constitutes a violation of the non-solicitation covenant set forth above. A general advertisement or job posting not specifically directed to Company's employees shall not be deemed to be recruitment.

12. "Key Man" Life Insurance. Employee acknowledges that Company may purchase, own and maintain, at Company's expense, a "key man" life insurance policy on Employee. Employee agrees, as long as this Agreement is in effect, to cooperate with any other requirements (such as physicals or execution of documents) for maintaining any such insurance policy. If Company elects to terminate such policy, to the extent legally possible it will permit Paula to assume all rights and obligations under the policy instead.

13. Intellectual Property and Confidentiality. By signing below, you agree and acknowledge that your execution of the Intellectual Property and Confidentiality Agreement attached hereto as Addendum A is a material condition of this Agreement.

14. Audit Rights. During the term of this Agreement and for a period of three years thereafter, Employee shall have unfettered access to the books and records of the Company and any successor and assign solely to confirm the Company's compliance with the terms of this Agreement. Such audit shall be at Employee's sole expense except to the extent that the audit report shows an underpayment of Employee of more than five percent (5%) of the applicable component of her consideration (in which instance Company shall be solely responsible for all expenses related to such audit).

15. Integration Clause. This Agreement supersedes and replaces any and all conflicting representations, agreements, understandings, or policies (whether oral or written) between Company and Employee that were in effect prior to the Effective Date of this Agreement. Employee acknowledges and agrees that no representations or promises have been made to her regarding her employment with the Company other than as stated in this Agreement.

16. Assignment. This Agreement is personal in nature and Employee may not assign it without the Company's written consent and any attempt to do so is void. Company may not assign, transfer or delegate this Agreement without Employee's prior written consent which shall not unreasonably be withheld, delayed or conditioned. Any such assignment, transfer or delegation shall not relieve Company of its obligations hereunder and is conditioned upon the assignee agreeing in writing to be bound by all of the terms and conditions hereof.

17. Modification. Except as otherwise set forth herein, the terms of this Agreement may only be amended or modified in a written agreement signed by both parties.

18. Severability. This Agreement is severable. If any part of this Agreement is found invalid or unenforceable in any jurisdiction, that provision, as to that jurisdiction, will not render invalid or unenforceable the other remaining provisions of this Agreement.

19. Governing Law And Venue. This Agreement shall be governed by California law and venue for any legal action arising from or relating to it shall be solely in the state or federal courts located in the County of Los Angeles in the State of California.

20. Waiver. No consent or waiver, expressed or implied, by either party to or of any breach or default by the other in the performance by the other of its obligations hereunder shall be deemed or construed to be a consent or waiver of any other breach or default in the performance by such other party, or a consent or waiver to complain of any act or failure to act of any of the other party, or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver of such party of its rights hereunder.

21. Attorney Review. Employee warrants and represents that Employee in executing his Agreement has had the opportunity to rely on legal advice from an attorney of Employee's choice, so that the terms of this Agreement and their consequences could have been fully read and explained to Employee by an attorney and that Employee fully understands the terms of this Agreement

22. Counterparts. This Agreement may be executed in counterparts, and a signed copy shall have the full force and effect of a signature on any original. A copy, PDF, or facsimile copy of the fully executed Agreement shall have the full force and effect of the original executed Agreement.

Thomas Wylde, LLC

By: ______________________________ December 29, 2014
John Hanna, Manager

EMPLOYEE'S ACKNOWLEDGMENT

I acknowledge that I have carefully read, understand and agree to the provisions of this Agreement.

______________________________ December 31, 2014
Paula Thomas

Addendum A— Confidentiality and Intellectual Property Agreement

You shall at all times observe, respect and comply with the policy and procedures of Company then existing (whether oral or written) and, including those pertaining to the performance of your duties, your duty of loyalty to Company, and dealing with confidential information of Company and its clients.

In the course of your work for the Company, you have gained access and will gain access to certain information of a confidential, proprietary or trade secret nature relating to the business of the Company and/or its clients, all of which information is collectively referred to in this Agreement as "Confidential Information." The Confidential Information includes any valuable, competitively sensitive data and information related to the Company's business (and/or that of its clients) that are not generally known or readily available to the Company's competitors, including without limitation: customer information such as pricing, names and addresses, preferences, habits and methods of contacting, servicing, and methods of soliciting customers, customer lists, business plans, methods of operation and financial information not generally known to the public, personnel files, computer codes and access information, service techniques, advertising and promotional ideas and strategy, unpublished designs, manufacturing techniques, sales forecasting and planning procedures, warehouse organization and technology, packaging procedures, importing and shipping techniques, and strategic or marketing information or plans, and other trade secrets, inventions, or pending patents. Information and documents constitute Confidential Information whether or not marked as "confidential" or "proprietary," and whether or not in electronic or documentary form, and whether or not the information or documents were created or obtained by you while performing services for the Company. Confidential Information shall not include items generally available to the public, those disclosed to the public by Company, general industry knowledge, expertise and contacts and those items independently developed by Employee without reference to Company's Confidential Information.

You covenant that in the future you will keep, strictly confidential all of the Confidential Information. You agree that you will not, directly or indirectly, use or disclose to any third party any of the Confidential Information, either during your employment or at any time thereafter, except as required in the course of performing services for the Company or with the express written consent of the Managing Member of the Company, or as otherwise required by law.

You further agree to return to the Company immediately upon resignation or termination of your employment all Confidential Information and any other property or documents belonging to the Company in your possession, custody or control, whether in hard copy or electronic form and together with all copies. You will not at any time, during or after your employment, directly or indirectly use the Confidential Information for your benefit or the benefit of any other person or entity other than the Company, nor will you publish or allow to be published or disclosed any Confidential Information to any person who is not an employee of the Company.

The non-disclosure obligations set forth in this Paragraph shall not be applicable to any information which: (i) the Company has authorized you in writing to publicly disclose, copy or use, to the extent of such authorization; (ii) is generally known or becomes part of the public domain through no fault of your own; (iii) is disclosed to the Company by third parties without restrictions or disclosure; or (iv) is required to be disclosed in the context of any administrative or judicial proceedings; provided that, if you are requested or legally compelled to disclose any Confidential Information, you shall provide the Company with prompt written notice thereof.

You further acknowledge and agree that a breach of the provisions of this Agreement relating to Confidential Information would cause the Company to suffer irreparable damage that could not be adequately remedied by an action at law. Accordingly, you agree that the Company or its Affiliates shall be entitled to injunctive relief to enforce these provisions in an action filed in any court of competent jurisdiction, in addition to recovery of its reasonable attorneys' fees and costs and any other remedies provided by law.

Except with respect to "moral rights," in consideration for the compensation and benefits set forth in this Agreement you hereby irrevocably and unconditionally assign and agree to assign in the future to the Company all rights, title and interest in any intellectual property (trademarks, copyrights, patents), discoveries, inventions, works of authorship, improvements and innovations, and other information/data that relates to any of the Company's business operations, products or services (including all electronic data, other data, and records pertaining thereto), whether or not patentable, trademarkable and/or copyrightable material and whether or not reduced to writing, developed in whole or in part by you in the course of your employment with the Company, even if developed prior to the date of this Agreement (collectively, the "Work Product"). All Work Product shall be deemed to be and shall remain "a work made for hire" under the United States Copyright Act and the sole and exclusive property of the Company. To the extent that any such Work Product is ever determined not to fall within the scope of "works made for hire" or otherwise not to belong to the Company, you hereby irrevocably, absolutely and perpetually assign and agree to assign, transfer and convey to Company all of your right, title and interest worldwide in and to the Work Product.

If you have any rights in Work Product (other than "moral rights"), that cannot be assigned, you agree to unconditionally and irrevocably waive enforcement worldwide of such rights against Company and all claims and causes of action of any kind against Company with respect to such rights, and agree, at Company's sole expense and request, to consent to an join in any action to enforce such rights. If such rights are not waivable, you hereby grant to Company a sole, exclusive, royalty-free, irrevocable, perpetual, transferable, assignable, worldwide license (with rights to sublicense through multiple tiers of sublicensees) to such non-waivable rights so that Company may fully exploit those retained rights in such Work Product, including to make, have made, import, modify, use, copy, perform, display, sell and otherwise distribute such rights in connection with its current and future business, in any medium or format, whether now know or later developed.

You agree to keep, maintain and make available to Company adequate and current records (in the form of notes, sketches, reports, correspondence, lists, specifications, or other information), in any form that may be required by Company, of all Confidential Information developed by you and all "works made for hire" and "Work Product" made by you during your employment by the Company, whether before or after you executed this Agreement. You must return to the Company upon resignation or termination of employment all Confidential Information and other property of the Company, whether in document or electronic form, together with all copies.

You further agree to execute and have notarized any additional documents reasonably requested by Company to effect or evidence the assignment described above and those documents reasonably requested by Company in order to apply for and obtain, in Company's name and for its benefit, copyrights, trademarks, and all other intellectual property rights throughout the world related to any of the Work Product and to transfer, effect, confirm, perfect, record, preserve, protect and enforce all right, title and interest transferred hereunder (collectively, "Supporting Documents"). If you fail or refuse to execute any Supporting Documents within thirty business days after receipt of written request, you hereby agree, for yourself and your successors and assigns, to the fullest extent permitted by law, that the Company is hereby irrevocably appointed as your attorney-in-fact with full authority to execute, verify and file any Supporting Documents requested by Company, and to perform all other acts necessary to effect, perfect or evidence the assignments set forth above. You hereby waive and quitclaim to Company any and all claims, of any nature whatsoever, which you now or may hereafter have for infringement of any proprietary rights in Work Product assigned hereunder to Company.

You acknowledge and agree that your obligations under this Addendum survive termination of this Agreement and/or your termination of employment with the Company for any reason.

I acknowledge that I have carefully read, understand and agree to the provisions of this Agreement.

____
Paula Thomas

Date: 12·31·2014·

SCHEDULE 1

Activities That Do Not Constitute A Conflict Of Interest

Personal Stylist

Designer/stylist for hospitality, transportation, film, TV and music

EXHIBIT “3”

Olivia Goodkin

D: 310.201.7446
F: 310.201.2334
OGoodkin@GreenbergGlusker.com
File Number: 84016.00001

GREENBERG GLUSKER

May 19, 2015

Via E-Mail

CONFIDENTIAL AND INADMISSIBLE SETTLEMENT COMMUNICATIONS

Richard Bryon Peddie, Esq.
5051 Euclid Avenue
Boulder, CO 80303-2831

Re: Paula Thomas

Dear Richard:

Paula Thomas denies the allegations, specifically and generally, of your letter of May 14, 2015. We believe you have not been told the real facts, some of which are outlined below.

1. Ms. Thomas did not quit her post, ever. She was told not to come into the office, per the enclosed email exchange between David Schnider and me on April 20, 2015.

2. We reject the contention that either Ms. Thomas' employment contract is already terminated by her actions, or that she is terminated for cause. Indeed, Ms. Thomas has grounds to terminate her employment agreement for Good Reason, in that Thomas Wylde, LLC (the "Company") materially diminished and reduced her authority and responsibilities. Furthermore, the Company hired a person to perform substantially the same services as Ms. Thomas without her prior written consent. Both of these facts support separate grounds for Good Reason.

3. We dispute your claim that Ms. Thomas breached her obligations under the employment agreement, or as an employee of the Company. Ms. Thomas is also an owner of the Company and is entitled to request to see press releases of *her* Company. She was not speaking on behalf of the Company or purporting to do so.

4. We deny that Ms. Thomas made any false or untrue statements about Mr. Hanna or Ms. Park.

5. Mr. Jay and his associate, Joshua Sophrin, were given access to the server to obtain high resolution images needed for the Company website. The purpose was entirely appropriate.

Ms. Thomas owns 32% of the Company and is the second largest owner. She has a vested interest in seeing the Company not only survive, but thrive. She has no motivation to do anything to harm the Company in any manner, nor has she done so.

Ms. Thomas has numerous claims against the Company, and John Hanna and Jene Park personally. You may not be aware that Mr. Hanna has engaged in improper and harassing conduct towards Ms. Thomas and also to third parties. There are numerous witnesses to his screaming tirades. Additionally, both John Hanna and Jene Park have defamed my client by telling third persons that she is a terrible designer; by blaming poor sales on her; and by incorrectly stating that she chose the fabrics for the designs when often they were forced on Ms. Thomas. You asked me to provide you with emails. At this point, I will include one example, the enclosed email sent to Ms. Thomas by Luis at Flaunt Magazine, which discusses defamatory statements made by Jene Park about Ms. Thomas.

Furthermore, in the past few weeks Ms. Thomas has received numerous emails from customers stating that they heard she was no longer at the Company. This is not accurate either. Until your letter of May 14, 2015, where you purport to terminate Ms. Thomas or declare that she is already terminated, she considered that she was on leave—considering that the General Counsel told her not to come in the office during the time the severance agreement was being negotiated. Furthermore, and more importantly, she is still a major owner of the Company, and has rights as an owner that she intends to assert.

Moreover, Ms. Thomas is greatly concerned as to how the Company's image is being negatively impacted by the distorted messages being broadcast by the Company. We were waiting for a draft of a press release from Mr. Schnider, to be mutually agreed upon, which presumably would have addressed the issue of Ms. Thomas' separation from the Company as the Chief Creative Officer, and her continued involvement as a part owner. Instead, the Company is apparently disseminating information that not only is wrong, but is having a very deleterious effect on the brand and sales, which is of concern to Ms. Thomas as an owner.

Upon your review of this letter, please call me. As you and I discussed on the telephone, it would not behoove any of the parties to litigate their claims. At the same time, I am very confident about our position, and if we need to take this dispute to the next level, we are prepared to do so.

Nothing herein is intended or should be construed as a waiver or limitation of any of my client's rights, remedies or defenses, all of which are expressly reserved. Furthermore, the above summary of facts should not be construed as a complete recitation of the facts.

Sincerely,

Olivia Goodkin

Olivia Goodkin

OG/go
Enclosures

From: David Schnider
To: Goodkin, Olivia
Cc: Apfelberg, Andrew M.
Subject: Re: Paula"s absence and update--confidential settlement discussions
Date: Monday, April 20, 2015 5:39:04 PM

Olivia:

Though I'm not sure we discussed it specifically, Paula should no longer be coming in and should do no further work on behalf of the company. The company will be removing access to her corporate email. A doctor's note is not necessary.

With respect to the PDTW property, the company would first like to compile a list of what that is before we decide what happens to all of it. With respect to the items in the Palm Springs warehouse, the company intends to stop paying for that storage facility and will need to move any company items out of it. If Paula wishes to maintain the warehouse for her own personal belongings at her own cost then that is her prerogative. In the short term though, we need to arrange to get the company access to that facility and to move any company items like inventory. Please advise when that can be done.

On the insurance, I have checked with our accounting department and they have advised that Paula's monthly costs are:

Medical	$ 523.94
Dental	$ 4.77
Total Insurance Premium	$ 528.71

The company will agree to payments being due on the 1st of every month, but will not accept a lien or consent judgment. Furthermore, the mutual releases must be effective upon execution of the agreement. If the company fails to pay, Paula will still have a claim for breach of contract and will be able to assert a claim in court or in bankruptcy. The company is not prepared to enter into this agreement only to have further litigation and claims if it has financial issues arise in the future. This must be a full resolution on both sides so that each can move on cleanly with only a monetary obligation remaining. The company is also concerned by the statement that Paula has heard from other creditors and vendors that the company may be unable to pay. So far as John is aware, Paula has not been meeting with any creditors or vendors. To the extent that she is aware of any that have expressed concerned about being paid, John needs to know who those are so that he can resolve their concerns and we need Paula to identify them immediately so that the can do so.

Regards,
David

> On Apr 20, 2015, at 2:10 PM, Goodkin, Olivia <ogoodkin@greenbergglusker.com> wrote:

Dear David,

This confirms that you agreed that Paula should not come into the office during the time we are negotiating. In any event, Paula is not well enough to come into the office, and she soon will have another note from her doctor to that effect. Please advise John and the others not to discuss the reasons for Paula's absence or her condition, which is confidential, and not to speculate or speak poorly of her. I will send you a doctor's note as soon as it is available if you would like.

Regarding the furniture and other issues we discussed, Paula is okay with all personal property staying where it is, but we need an inventory of what belongs to PDTW and she thinks there may be such an inventory. She is also willing to forego the Rosie books (but I believe she still would like the TOPs).

She is willing to forego having COBRA covered, but will you please let us know how much the monthly insurance payment is for Paula individually?

In exchange for the above, we do insist on the severance payments being made every month on the first of the month. We are quite concerned that although the company may agree to the severance, it will not be paid, based on what Paula has heard from other creditors and vendors, which is why we wanted a lien. In addition to the alternative Consent Judgment concept, we ask that the settlement agreement provide that during the time that the severance is being paid, the parties forebear from pursuing any claims against each other (and those claims are tolled), and that the releases go into effect only after the severance is paid in full. It would not be fair or appropriate for Paula to agree to reduce her claims, be paid one month, and then only have a breach of settlement agreement claim. However, we are being fair by proposing that both sides retain their rights until the payment obligations under the contract are completed.

I look forward to hearing back from you.

Best regards,

Olivia

Olivia Goodkin | Chair, Employment Group | Biography
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From: Luis B <luis@flauntmagazine.com>
Date: April 8, 2015 at 9:19:05 AM PDT
To: Paula Thomas <paula@thomaswylde.com>

Dear Paula
I can not believe what is going on in your office
Jen truly is trying to undermine you in front of your Ceo
She said you force her to run the pages in the magazine after she told you not to do it which is a complete lie
She also said she was not aware what so ever of the cover initiative
She is the one that ask me to factor and pay it in quotes and totally denied all in front of john
She has also convince john that all the choices of fabrics are all your doing and that you made such a bad choices
John said you made him do the show in NYC and that was a fiasco
No sales from it and you spend all the $$$$
It terrible what is happening there

Sent from my iPhone